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March 9, 1988

To: Members of the Executive Board

From: The Acting Secretary

Subject: Official Multilateral Debt Rescheduling: Recent Experience

The attached paper reviews the experience with multilateral official debt reschedulings over the period June 1986 through December 1987. It provides background material for the forthcoming Board discussion on the management of the debt situation scheduled for Wednesday, March 30, 1988.

In line with past practices, it is intended to revise this paper after the Board discussion and publish it in the World Economic and Financial Surveys series. The revised text will reflect Executive Directors' comments and delete certain sensitive materials.

Mr. Keller (ext. 6555) is available to answer technical or factual questions relating to this paper prior to the Board discussion.

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INTERNATIONAL MONETARY FUND

Official Multilateral Debt Rescheduling: Recent Experience

Prepared by the Exchange and Trade Relations Department

(In consultation with other departments)

Approved by L.A. Whittome

March 9, 1988

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I. Introduction

This paper reports on developments in multilateral official debt renegotiations over the 18 months through December 1987. ^{1/} An overview of recent trends is given in Section II, while Section III describes the recent adaptations by official creditors of their policies vis-à-vis the poorest and most heavily indebted countries. Terms and conditions of recent reschedulings are discussed in Section IV. Section V addresses questions related to linkages of official reschedulings to Fund arrangements and policies and to reschedulings by banks and suppliers. Annex I describes the framework for multilateral official debt negotiations; a glossary of selected terms used in connection with official multilateral debt renegotiations is provided in Annex II. Appendix I presents tables detailing the recent experience with official multilateral reschedulings, and Appendix II contains descriptions of each of the rescheduling agreements concluded since mid-1986.

II. Summary and Overview of Recent Trends and Developments in Official Reschedulings

The most important new development in multilateral official debt renegotiations was the adaptation of policies by Paris Club creditors in response to the protracted problems of the poorest and most heavily indebted countries. ^{2/} Persistent debt-servicing problems have manifested themselves in recent years in the large number of low-income countries that were seeking debt relief year after year from official creditors but at the same time frequently experienced serious difficulties in adhering even to the already stretched out payments schedule resulting from previous debt relief agreements. This resulted in a frequent need for more comprehensive debt relief in subsequent rescheduling agreements. Repeat reschedulings by low-income heavily indebted

^{1/} Policy issues related to multilateral official reschedulings are discussed in "Management of the Debt Situation: Developments, Issues, and Role of the Fund" (EBS/88/55, 3/9/88). Experience with extended consolidation periods is reviewed in: "Recent Experiences with Multiyear Rescheduling and Enhanced Surveillance" (forthcoming). Official multilateral debt renegotiations that took place in previous years are described in the following staff papers: "Recent Experience with Multilateral Official Debt Restructuring" (SM/86/194, 8/7/86); "Developing Countries' Indebtedness to Official Creditors" (SM/85/62, 2/20/85, and Supplement 1); Part I of "External Debt Servicing Problems - Background Information" (SM/83/46, 3/9/83); and in "Survey of Official Multilateral Renegotiations, 1975-1980" (SM/80/275, 12/30/80).

^{2/} At the same time other initiatives were launched for low-income countries, including the proposal for enhancement of the Fund's structural adjustment facility, the Bank's proposal for assistance to debt-distressed low-income countries in sub-Saharan Africa undertaking adjustment programs, and the U.K. proposal for concessional interest rates in reschedulings with official creditors.

countries were a major reason why the rapid pace of official multi-lateral reschedulings continued unabated in the period under review (Table 1).

As described in more detail in Section III, official creditors meeting in the framework of the Paris Club agreed in mid-1987 to consider, on a case-by-case basis, stretching the repayment period to between 15 and 20 years, with a corresponding lengthening of the grace period up to 10 years, for heavily indebted low-income countries that were pursuing adequate adjustment efforts. A maturity of 10 years with 5 years' grace remains the maximum for all other debtor countries. Official creditors have generally preserved concessional interest rates in the restructuring of ODA loans; moreover, for the poorest debtors, some creditors have converted such loans into grants. The question of interest concessions on other categories of debts rescheduled by the Paris Club was raised, inter alia, by the Venice Summit but there exists no consensus among creditors for changing the current practice. Earlier in 1987, Paris Club creditors decided to condition, on an exceptional and case-by-case basis, rescheduling agreements on debtor countries' adjustment efforts supported by the Fund with arrangements under the structural adjustment facility. In 1987, three Paris Club rescheduling agreements were linked solely to arrangements under the structural adjustment facility.

Following a peak of 21 agreements concluded with Fund members in 1985 for a total of US\$19 billion in debt relief, both the number of reschedulings and the amounts of relief declined in 1986 to 16 and US\$13 billion, respectively. While the number of rescheduling agreements concluded in 1987 rose only marginally to 17, debt relief is estimated to have amounted to an unprecedented US\$25 billion. Of this amount, US\$19 billion was accounted for by rescheduling agreements concluded with only three countries: Brazil, Egypt, and Poland. A larger number of reschedulings might have been expected in 1987 in view of the expiration of the consolidation periods of the many earlier agreements. Only in a few instances did the absence of a further Paris Club rescheduling signal firm progress toward a viable balance of payments position. In most cases of countries with recently expired consolidation periods, the lack of a further Paris Club consolidation reflected difficulties and delays in framing adjustment programs which could form the basis for the provision of further debt relief. While the rate at which Fund arrangements were approved was a key factor in determining the frequency of Paris Club reschedulings in recent years, the financing of Fund-supported adjustment programs at the same time became increasingly dependent on debt relief from official (and other) creditors: about 80 percent of the stand-by arrangements and two thirds of the SAF arrangements concluded in 1986 and 1987 were in support of adjustment programs where ex ante financing gaps were closed partly through multilateral official debt reschedulings. By contrast, in the period 1976-1982, only about one fifth of Fund-supported adjustment programs required exceptional financing in the form of a Paris Club rescheduling.

Table 1. Official Multilateral Debt Reschedulings, 1976-1987 ^{1/}

--Overview--

Debtor Country ^{2/}	Date of Agreement Mo./Day/Yr.	Amount Rescheduled ^{3/} (In millions of U.S. dollars)	Type of Debt Consoli- dated ^{4/}	Consoli- dation Period (months)	Proportion of Due Payments Rescheduled ^{5/6/} (In percent)		Terms ^{5/7/} Grace Maturity (In years)	
					Prin.	Int.	Grace	Maturity
Zaire I	6/16/76	270	PA	18	85	--	1	7 6/12
Zaire II	7/07/77	170	PI	12 ^{8/}	85	85	3	8 6/12
Sierra Leone I	9/15/77	39	PIA	24	80	80	1 6/12	8 6/12
Zaire III	12/01/77	40	I	6	--	75	3	9
Turkey I	5/20/78	1,300	PIAt	13	80	80	2	6 6/12
Gabon I	6/20/78	63	Ap	...	...	...	...	...
Peru I	11/03/78	420	P	12	90	--	2	6 6/12
Togo I	6/15/79	260	PIA	21	80	80	2 9/12	8 3/12
Turkey II	7/25/79	1,200	PIAs	12	85	85	3	7 6/12
Sudan I	11/13/79	487	PIA	21	85	85	3	9 6/12
Zaire IV	12/11/79	1,040	PIAtAr	18	90	90	3 6/12	9
Sierra Leone II	2/08/80	37	PIA	16	90	90	4 2/12	9 8/12
Turkey III	7/23/80	3,000	PIAtArR	36	90	90	4 6/12	9
Liberia I	12/19/80	35	PI	18	90	90	3 3/12	7 9/12
Togo II	2/20/81	232	PI	14	85	85	4	8 6/12
Poland I	4/27/81	2,110	PIA	8	90	90	4	7 6/12
Madagascar I	4/30/81	140	PIAt	18	85	85	3 9/12	8 3/12
C.A.R. I	6/12/81	72	PIA	12	85	85	4	8 6/12
Zaire V	7/09/81	500	PI	12	90	90	4	9 6/12
Senegal I	10/12/81	75	PI	12	85	85	4	8 6/12
Uganda I	11/18/81	30	PIA	12	90	90	4 6/12	9
Liberia II	12/16/81	25	PI	18	90	90	4 1/12	8 7/12
Sudan II	3/18/82	203	PIA	18	90	90	4 6/12	9 6/12
Madagascar II	7/13/82	107	PIAt	12	85	85	3 9/12	8 3/12
Romania I	7/28/82	234	PIA	12	80	80	3	6
Malawi I	9/22/82	25	PI	12	85	85	3 6/12	8
Senegal II	11/29/82	74	PI	12	85	85	4 3/12	8 9/12
Uganda II	12/01/82	19	PI	12	90	90	6 6/12	8
Costa Rica I	1/11/83	136	PIA	18	85	85	3 9/12	8 3/12
Sudan III	2/04/83	518	PtItAtR	12	100	100	5 6/12	15
Togo III	4/12/83	300	PIAR	12	90	90	5	9 6/12
Zambia I	5/16/83	375	PIAt	12	90	90	5	9 6/12
Romania II	5/18/83	736	P	12	60	--	3	6
Mexico I	6/22/83	1,199	PAt	6	90	--	3	5 6/12
C.A.R. II	7/08/83	13	PIA	12	90	90	5	9 6/12
Peru II	7/26/83	466	PI	12	90	90	3	7 6/12
Ecuador I	7/28/83	142	PI	12	85	85	3	7 6/12
Morocco I	10/25/83	1,152	PIA	16	85	85	3 9/12	7 3/12
Malawi II	10/27/83	26	PI	12	85	85	3 6/12	8
Niger I	11/14/83	36	PI	12	90	60	4 6/12	8 6/12
Brazil I	11/23/83	2,337	PIA	17	85	85	4	7 6/12
Zaire VI	12/20/83	1,497	PtItAtRARL	12	95	95	5	10 6/12
Senegal III	12/21/83	72	PI	12	90	90	4	8 6/12
Liberia III	12/22/83	17	PI	12	90	90	4	8 6/12
Sierra Leone III	2/08/84	25	PIAtArR	12	90	90	5	10
Madagascar III	3/23/84	89	PIAR	18	95	95	4 9/12	10 3/12
Sudan IV	5/03/84	249	PIR	12	100	100	6	15 6/12
Côte d'Ivoire I	5/04/84	230	PI	13	100	50	4	8 6/12
Yugoslavia I	5/22/84	500	P	12	100	--	4	6 6/12
Peru III	6/05/84	704	PI	15	90	90	4 11/12	8 5/12
Togo IV	6/06/84	75	PIR	16	95	95	4 10/12	9 4/12
Jamaica I	7/16/84	105	PIA	15	100	50	3 11/12	8 5/12
Zambia II	7/20/84	253	PIAR	12	100	100	5	9 6/12
Mozambique I	10/25/84	283	PIA	12	95	95	5	10 6/12
Niger II	11/30/84	26	PI	14	90	50	4 11/12	9 5/12
Liberia IV	12/17/84	17	PI	12	90	90	5	9 6/12
Philippines I	12/20/84	757	PI	18	100	60	4 9/12	9 3/12
Argentina I	1/16/85	2,040	PIA	12	90	90	5	9 6/12
Senegal IV	1/18/85	122	PIA	18	95	95	3 9/12	8 3/12
Somalia I	3/06/85	127	PIAt	12	95	95	5	9 6/12
Costa Rica II	4/22/85	166	PIA	15	90	90	4 11/12	9 5/12
Ecuador II ^{9/}	4/24/85	450	PAp	12	100	--	3	7 6/12
				12	85	--	3	7 6/12
				12	70	--	3	7 6/12
Mauritania I	4/27/85	74	PIA	15	90	90	3 9/12	8 3/12
Dominican Rep. I	5/21/85	290	PIA	15	90	90	4 11/12	9 5/12
Madagascar IV	5/22/85	128	PIR	15	100	100	4 11/12	10 5/12
Yugoslavia II	5/24/85	812	P	18	90	--	3 9/12	8 3/12
Togo V	6/24/85	27	PI	12	95	95	5	10 6/12
Côte d'Ivoire II	6/25/85	213	PI	12	100	50	4	8 6/12
Poland II	7/15/85	10,930	PIAL	36	100	100	5	10 6/12
Chile I	7/17/85	146	P	18	65	--	2 9/12	6 3/12
Jamaica II	7/19/85	62	PI	12	100	50	4	9 6/12

Table 1 (concluded). Official Multilateral Debt Reschedulings, 1976-1987 ^{1/}

--Overview--

Debtor Country ^{2/}	Date of Agreement Mo./Day/Yr.	Amount Rescheduled ^{3/} (In millions of U.S. dollars)	Type of Debt Consoli- dated ^{4/}	Consoli- dation Period (months)	Proportion of Due Payments Rescheduled ^{5/6/} (In percent)		Terms ^{5/7/} Grace Maturity (In years)	
					Prin.	Int.		
Eq. Guinea I	7/22/85	38	PIAL	18	100	100	4 6/12	9
Morocco II	9/17/85	1,124	PIA	18	90	90	3 9/12	8 3/12
Zaire VII	9/18/85	408	PIR	15	95	95	4 11/12	9 5/12
Panama I	9/19/85	19	P	16	50	--	2 10/12	7 4/12
Poland III	11/19/85	1,400	PI	12	100	100	5	9 6/12
Niger III	11/21/85	38	PI	12	90	50	5 1/12	9 6/12
C.A.R. III	11/22/85	14	PIRp	18	90	90	4 9/12	9 3/12
Zambia III	3/04/86	371	PIAArR	12	100	100	5	9 6/12
Guinea I	4/18/86	196	PIAArL	14	95	95	4 11/12	9 5/12
Yugoslavia III ^{10/}	5/13/86	490	P	12	85	--	3 11/12	8 5/12
		411	P	11	84	--	4	8 6/12
Zaire VIII	5/15/86	429	PIR	12	100	100	4	9 6/12
Mauritania II	5/16/86	27	PI	12	95	95	4	8 6/12
Côte d'Ivoire III ^{9/}	6/27/86	370	P	12	80	--	4 1/12	8 7/12
				12	70	--	4 1/12	8 7/12
				12	60	--	4 1/12	8 7/12
Bolivia I	7/17/86	449	PIAL	12	100	100	5	9 6/12
Congo I	7/18/86	756	PIA	20	95	95	3 8/12	9 2/12
Mexico II ^{11/}	9/17/86	1,747	PI	15	100	60	4	8 6/12
		165	P	3	100	--	3 9/12	8 3/12
Tanzania I	9/18/86	1,046	PIAtL	12	100	100	5	9 6/12
Gambia, The I	9/19/86	17	PtItAt	12	100	100	5	9 6/12
Madagascar V	10/23/86	212	PIR	21 ^{12/}	100	100	4 7/12	9 1/12
Sierra Leone IV	11/19/86	86	PIARL	16	100	100	4 9/12	9 3/12
Niger IV	11/20/86	34	P	12	100	--	5	9 6/12
Senegal V	11/21/86	65	PI	16	100	100	4 10/12	9 4/12
Nigeria I	12/16/86	6,251	PIAtL	15	100	100	4 11/12	9 5/12
Brazil II ^{13/}	1/21/87	3,615	PII ^{14/}	24	100	100	3	5 6/12
		563	P	6	100	--	3	5 6/12
Gabon II	1/21/87	387	PI	15	100	90	3 11/12	9 5/12
Philippines II	1/22/87	862	PI	18	100	70	4 9/12	9 3/12
Jamaica III	3/05/87	124	PIA	15	100	85	4 11/12	9 5/12
Morocco III	3/06/87	1,008	PIR	16	100	100	4 9/12	9 3/12
Chile II	4/02/87	157	P	21	85	--	2 8/12	6 2/12
Zaire IX	5/18/87	671	PIA	13	100	100	6	14 6/12
Argentina II	5/20/87	1,260	PIAL	14	100	100	4 11/12	9 6/12
Egypt I	5/22/87	5,586	PIAL	18	100	100	4 9/12	9 3/12
Mauritania III	6/15/87	90	PI	14	95	95	4 11/12	14 5/12
Mozambique II	6/16/87	361	PIARL	19	100	100	9 9/12	19 4/12
Uganda III	6/19/87	170 ^{15/}	PIARL	12	100	100	6	14 6/12
Somalia II	7/22/87	153	PIAR	24	100	100	9 6/12	19
Guinea-Bissau I	10/27/87	25	PA	18	100	100	9 9/12	19 3/12
Poland IV	10/30 87	9,027	PIAArL	12	100	100	4 6/12	9
Senegal VI	11/17/87	79	PI	12	100	100	6	15 6/12
Côte d'Ivoire IV	12/18/87	567	PIAArL	16	100	95	5 10/12	9 4/12

Sources: Agreed Minutes of debt reschedulings; and Fund staff estimates.

^{1/} Excludes debt renegotiations conducted under the auspices of aid consortia. Also excludes official debt reschedulings for countries not members of the Fund, but includes agreements with Poland signed prior to its date of membership in the Fund (June 12, 1986).

^{2/} Roman numerals indicate, for each country, the number of debt reschedulings in the period beginning 1976.

^{3/} Includes debt service formally rescheduled as well as postponed maturities. (For a definition of terms, see Annex II.)

^{4/} Key:

P	-	Principal, medium- and long-term debt
Pt	-	Principal, debt of all maturities
I	-	Interest, medium- and long-term debt
It	-	Interest, debt of all maturities
A	-	Arrears on principal and interest, medium- and long-term debt
As	-	Arrears on principal and interest, short-term debt
At	-	Arrears on principal and interest, debt of all maturities
Ap	-	Arrears on principal, medium- and long-term debt
Ar	-	Arrears on previously rescheduled debt
L	-	Late interest
R	-	Previously rescheduled debt, principal and interest
Rp	-	Previously rescheduled debt, principal only.

^{5/} Terms for current maturities due on medium- and long-term debt covered by the rescheduling agreement and not rescheduled previously.

^{6/} In most instances, some portion of the remaining amount was also deferred for a shorter period.

^{7/} For purposes of this paper grace and maturity of rescheduled current maturities are counted from the end of the consolidation period.

^{8/} Interest payments consolidated for the first half of this period only.

^{9/} Includes three separate one-year consolidation periods of the multiyear restructuring agreement.

^{10/} The conditional second tranche of the consolidation took effect after a further meeting with creditors in 1987.

^{11/} Includes two separate consolidation periods.

^{12/} In 1987 creditors extended the consolidation period by three months.

^{13/} Includes two separate consolidation periods; however, the second tranche of the consolidation did not become effective.

^{14/} Agreed Minute did not refer to arrears, although at the time of rescheduling 1985 and 1986 maturities were de facto in arrears.

^{15/} Based on creditor data.

There was a continuing trend in recent years toward more comprehensive consolidations of service on debt covered by the Agreed Minute; however, significant parts of debt service were generally or frequently excluded (e.g., on short-term debt, post-cutoff date debt, previously rescheduled debt (PRD), etc.). Beginning with the second half of 1986, only a few agreements were concluded that consolidated significantly less than 100 percent of principal and interest on covered debt service. As a result, the traditional practice of providing for a short deferral of nonconsolidated debt service was generally discontinued. Also, there was a continued need to reconsolidate previously rescheduled debts and the treatment of PRD in the rescheduling became increasingly important, particularly in instances where there had been several prior consolidations. There was also a sharp increase in the instances of consolidation of late interest. The tendency toward more comprehensive consolidations did not reflect a general decision on the part of official creditors to provide more debt relief but rather the increasingly difficult external situation of a number of debtor countries.

A notable development was the absence of any new rescheduling agreements with extended consolidation periods and the difficulties encountered with the implementation of those concluded in 1985 and 1986. The previous staff paper on multilateral official reschedulings (SM/86/194, 8/7/86) had highlighted the multiyear rescheduling agreements (MYRAs) with Ecuador and Côte d'Ivoire and the extended consolidation period for Yugoslavia. Owing partly to unfavorable external developments, but also to domestic policy slippages, in none of these three cases did the hoped for early return to normal market access materialize. Indeed, all three countries have since experienced an unexpected and sharp deterioration in their balance of payments positions and, in retrospect, the predetermined declining percentages of rescheduling for the later years of the consolidation periods resulted in inadequate amounts of debt relief. Rescheduling agreements covering several years could continue, however, to play a useful role in conjunction with adjustment programs supported by multiyear arrangements from the Fund, provided flexibility is retained to tailor debt relief in the later years to the debtor country's payments capacity. Subsequent negotiations within such a framework agreement could be much simplified. Most importantly, however, such agreements would permit the negotiation of longer framework bilateral agreements as well.

Côte d'Ivoire has already agreed, in principle, in December 1987 a new and much more comprehensive rescheduling, overriding where necessary the provisions of the 1986 MYRA, while Ecuador obtained a new and more comprehensive consolidation in January 1988. Yugoslavia has also approached official creditors for a new, more comprehensive rescheduling. 1/

1/ The experience with the serial reschedulings for these three countries is reviewed in the forthcoming supplement entitled: "Recent Experiences with Multiyear Reschedulings and Enhanced Surveillance."

While the efforts to facilitate the normalization of debtor-creditor relations through extended consolidation periods were not successful, creditors and debtors continued to pay increased attention to the impact of Paris Club reschedulings, and the terms of these reschedulings on new credit flows to debtor countries. As reported in "Officially Supported Export Credits - Developments and Prospects" (SM/87/195, 8/13/87) export credit agencies and their authorities regard the fixing of a firm cutoff date 1/ as essential to the restoration or maintenance of official export credits and cover, as it gives a measure of assurance that new loans will not be caught up in future reschedulings. To preserve established cutoff dates and thereby facilitate new credits, Paris Club creditors were prepared to be flexible in other respects, such as including where necessary previously rescheduled debt in a new consolidation. In none of the 43 agreements concluded since May 1984 with countries that had previous reschedulings in recent years was the cutoff date changed and, as a result, export credit agencies were generally able to stay on cover in a number of important recent instances.

By regularly excluding short-term debt from reschedulings, debtors and creditors have also frequently succeeded in protecting the flow of short-term trade financing, which in many instances is vital to the financing of a Fund-supported program. In recent years, this policy was adhered to even more strictly and there were no cases where current debt service on short-term debt was included in the rescheduling.

Many export credit agencies will maintain cover for private sector buyers, even when public sector debt has been rescheduled, provided private sector debt continues to be serviced on a current basis. Therefore, in addition to subordinating old loans to new loans through the strict maintenance of the cutoff date and excluding short-term credits altogether, official creditors have continued their relatively recent policy of excluding debts of the private sector from reschedulings, if the debtor country so requests. However, the increased number of requests to exclude private sector debt from rescheduling probably reflects other considerations as well; in some cases debtor country governments were hesitant to assume the administrative burden of establishing and maintaining counterpart deposit schemes for private debt service payments.

Reflecting the extremely difficult circumstances of a number of debtors, official creditors did not insist that stricter terms apply to the rescheduling of arrears where arrears were very large and it was not realistic to expect stricter terms on arrears to be met. While it had been common practice to reschedule only a relatively limited portion of arrears and for a relatively short period, there was a strong outward

1/ The cutoff date is the date before which loans must have been contracted in order for their debt service to be covered by the rescheduling. The glossary provided in Annex II defines this and other technical terms used in this paper.

shift in the repayment schedule for arrears in 1986 and 1987 compared with earlier years. This resulted in the average repayment pattern for arrears approaching quite closely that provided for current maturities.

Questions regarding comparability of treatment among various creditor groups have retained their importance. Paris Club creditors and commercial banks continued to follow carefully each other's efforts, through either rescheduling or new money, in supporting countries' adjustment efforts, and each sought to ensure comparable action by the other. The assessment of burden-sharing among creditors is, however, becoming more difficult with the introduction of the "menu" approach in banks' financing packages and the emergence of new financing techniques. So as not to delay the resolution of debt-servicing problems, Paris Club creditors, in a number of very large and complex restructuring cases, agreed to proceed with a conditional restructuring on the basis of an arrangement approved only "in principle" by the Fund's Executive Board, pending the completion of the financing package with the commercial banks. In these instances official creditors conditioned the effectiveness of their rescheduling on the coming into effect of the Fund arrangement.

Paris Club creditors have not sought strict comparability on a case-by-case basis where the debt service due to one creditor group was relatively small; as a result, official creditors continued to make greater efforts for certain low-income countries. However, as discussed in Section V.2, there has been a tendency for banks to insist in their financial packages on linkages to action by official creditors even in cases where potential debt relief from a Paris Club rescheduling was relatively minor. Official creditors have noted that, in assessing comparable action, account should also be taken of the increased willingness of export credit agencies to respond in a timely manner to countries undertaking adjustment efforts. In this regard, official creditors have also at times pointed to their aid efforts and to their contributions to multilateral organizations whose lending is supporting the adjustment efforts.

Paris Club creditors remain concerned about the question of comparable action by official creditors not participating in the Paris Club. In 1986 and 1987, Paris Club creditors have specified in all agreements that included "goodwill clauses" the requirement that the debtor country submit to the Chairman of the Paris Club a written report on the reschedulings concluded with other creditors.

III. Paris Club Policies vis-à-vis the Poorest Debtor Countries

In recent years, official creditors have provided through Paris Club reschedulings debt relief to a large number of low-income countries; during the period 1982-1987 about half of the Paris Club reschedulings were for SAF-eligible countries, most of which were sub-Saharan African countries. While official creditors in determining the extent of debt relief always take account of the debt-servicing capacity

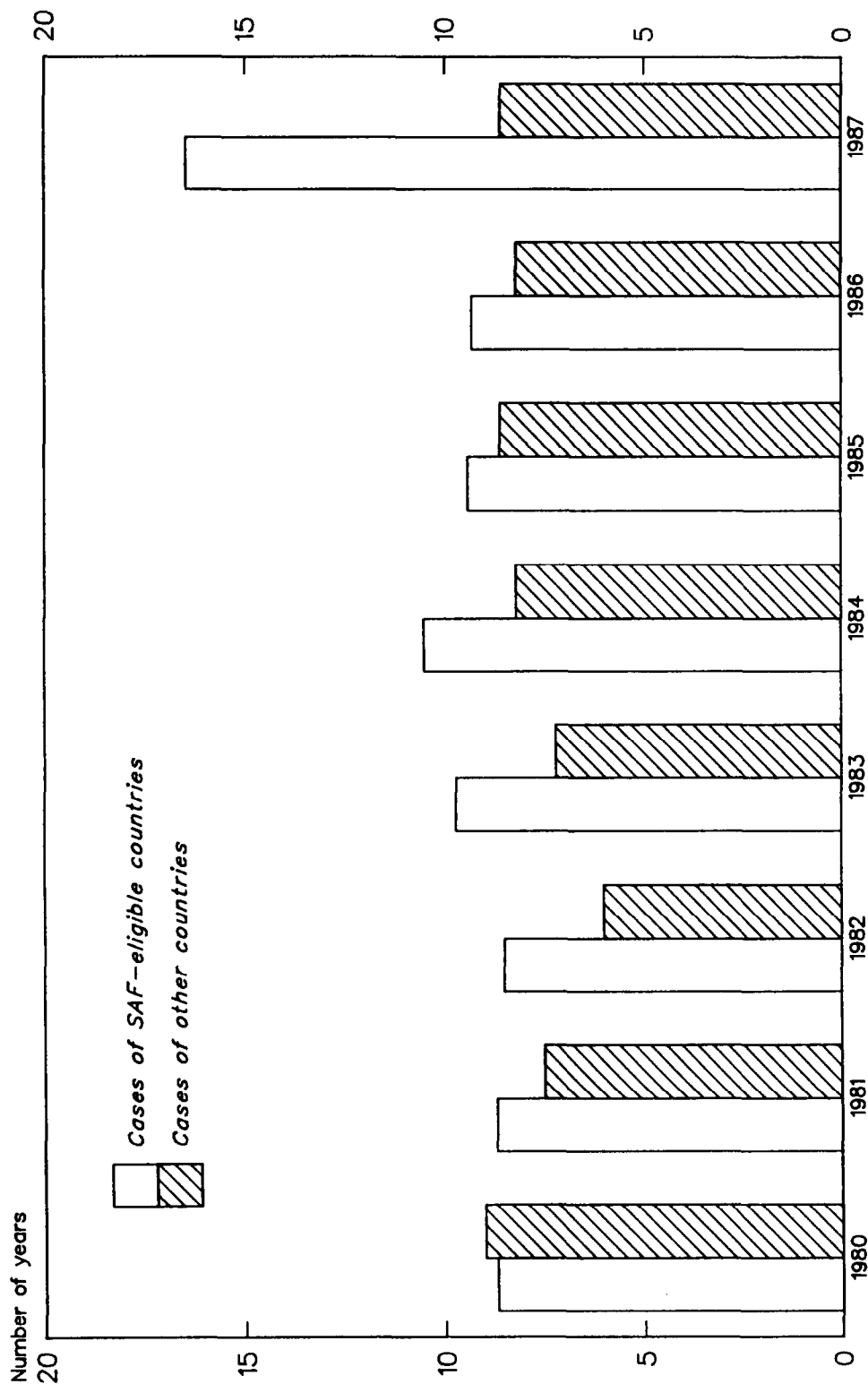
of the individual debtor country in question, Paris Club reschedulings for low-income countries were generally relatively more comprehensive, both as regards categories and percentage rescheduled than those for other debtor countries and involved relatively longer maturities (Chart 1). As far as ODA loans were concerned, Paris Club creditors have generally rescheduled concessional loans on concessional terms. In addition, a number of creditor countries have forgiven or converted into grants some of their claims on low-income countries.

In 1986 and early 1987 Paris Club creditors, in their periodic discussions on Paris Club policies and practices, increasingly focused on the questions posed by the problems of the poorest and most heavily indebted countries, including particularly sub-Saharan African countries. Many of these countries had sought debt relief repeatedly from Paris Club creditors, and creditors were concerned that in many instances the repeated application of standard Paris Club terms had not provided an adequate response to the special and deeply rooted problems of these countries, as evidenced by the difficulties experienced in adhering even to the already stretched out debt-servicing terms resulting from previous Paris Club consolidations. The communiqués of the Interim and Development Committees, in April 1987, also raised the issue of the need for more favorable terms in Paris Club reschedulings for the poorest and most heavily indebted countries undertaking strong economic reform.

The question of preferential debt consolidation within the Paris Club in favor of these countries was addressed further by a working group of the Paris Club on April 24, 1987, which was attended also by staff representatives of the Fund and the World Bank. It was recognized that for some of the heavily indebted low-income countries, debt relief on comprehensive terms but with standard maturities and market-related interest rates would result in an insufficient reduction, or even in growth, of external debt and debt service relative to the country's GDP or exports of goods and services. There was broad agreement among creditors that in these circumstances exceptional debt relief would be essential to ease the debt-servicing difficulties of these countries over the medium term and that decisions on such a preferential treatment should be taken on a case-by-case basis and with a view to supporting and encouraging those countries that were pursuing far-reaching economic reforms. The preferential treatment was to be restricted to the poorest and most heavily indebted countries, as determined by creditors on the basis of indebtedness indicators and per capita income criteria, such as, for example, SAF- or IDA-eligibility.

A consensus emerged to lengthen for eligible countries the maturity period to between 15 and 20 years, including a corresponding lengthening of the grace period up to 10 years. While analysis of the medium-term outlook for selected countries indicated that progress toward balance of payments viability would be much enhanced by the introduction of a strong element of concessionality in interest rates, most creditors stressed that this question raised a large array of technical, legal, and budgetary difficulties, and that the issue of comparability of

CHART 1
AVERAGE MATURITY FOR
SAF-ELIGIBLE AND OTHER COUNTRIES,¹ 1980-1987



Sources: Agreed Minutes; and Fund staff calculations.

¹ Defined as the average number of years between the date of the Agreed Minute and the date of the last payment.

treatment both between official creditors and with respect to other creditors was difficult to solve, particularly as regards commercial credits.

There was broad agreement that low-income, heavily indebted countries were in urgent need of concessional financing. Some creditors stressed that in view of their existing budgetary and accounting constraints this concessionality could not be introduced easily through interest concessions on rescheduled commercial debts. There were concerns that interest concessions would largely be charged against the aid budget and, thus, would lead to cuts in aid projects or programs, while interest deferral did not have that effect. Moreover, for some export credit agencies, interest concessions could require a markdown in the book value of their claims on these countries and thus potentially result in a very large initial charge against budgets. More broadly, there was concern that this could lead to Paris Club reschedulings becoming subject to the budgetary process, and thus subject to congressional or parliamentary approval and review; potentially such a development would slow the work of the Paris Club. Some creditors stressed that they have already substituted grants for credits and, therefore, were providing in total highly concessional flows of finance to this group of countries, despite the continued application of market-related interest rates to commercial debts included in Paris Club reschedulings. It was also noted that as regards the treatment of concessional aid loans, almost all creditor countries already rescheduled on concessional terms or have already converted some of those loans into grants.

During the May and June 1987 Paris Club meetings, Mauritania, Mozambique, Uganda, and Zaïre were granted extended repayment periods. Following this experience, and in light of the Venice Summit Communiqué which also stated: "for those of the poorest countries that are undertaking adjustment effort, consideration should be given to the possibility of applying lower interest rate to their existing debt, and agreement should be reached, especially in the Paris Club, on longer repayment and grace periods to ease the debt service burden," the Paris Club reviewed its experience and confirmed in July 1987 its policy to lengthen both grace and repayment periods for the poorest and most heavily indebted countries. In the second half of 1987, extended repayment periods were accorded to Somalia, Guinea-Bissau, and Senegal. Chart 2 and Table 18 in Appendix I illustrate the significant outward shift in the repayment schedules for these countries that resulted from these new policies adopted by the Paris Club.

IV. Recent Experience in Official Multilateral Debt Renegotiations of Fund Member Countries

1. Frequency of rescheduling and amount of debt relief

From 1983 through 1987, 41 debtor countries concluded 83 multilateral rescheduling agreements with official creditors for a total

amount of debt relief estimated at US\$69 billion (Chart 3). Over that period the frequency of official multilateral reschedulings about quadrupled. While during the seven-year period ending in 1982 official creditors concluded an average of about four agreements a year, in the following five years an average of 16 to 17 countries obtained debt relief each year from official multilateral reschedulings and it appears that the number of reschedulings has stabilized in recent years at this very high level. The frequency of reschedulings could rise significantly should there be a sharp increase in the completion of new Fund-supported programs with countries with unresolved debt problems.

Reflecting in part the record level of 21 rescheduling agreements completed in 1985, but also a temporary lengthening of consolidation periods (Section IV.3 below), the number of reschedulings declined to 16 in 1986. In 1987, 17 agreements were concluded. Although historically the second highest frequency, it was still a surprisingly low number of agreements considering the unabated debt-servicing difficulties and the expiration of the consolidation periods of the 1985 and early 1986 agreements which would have been expected to result in a new wave of reschedulings in 1987. At the beginning of 1986, for example, there were 17 rescheduling agreements in effect and 12 other countries with recently expired consolidation periods but no new agreement; at the beginning of 1988 there were 18 agreements in effect but 17 countries with expired consolidation periods (Table 2).

Table 2. Official Multilateral Agreements
(Beginning of period)

	1986	1987	1988
Countries with agreements in effect	17	17	18
Countries with recently expired agreements <u>1/</u>	<u>12</u>	<u>16</u>	<u>17</u>
Total	29	33	35
Agreements concluded during the year:	16	17	...

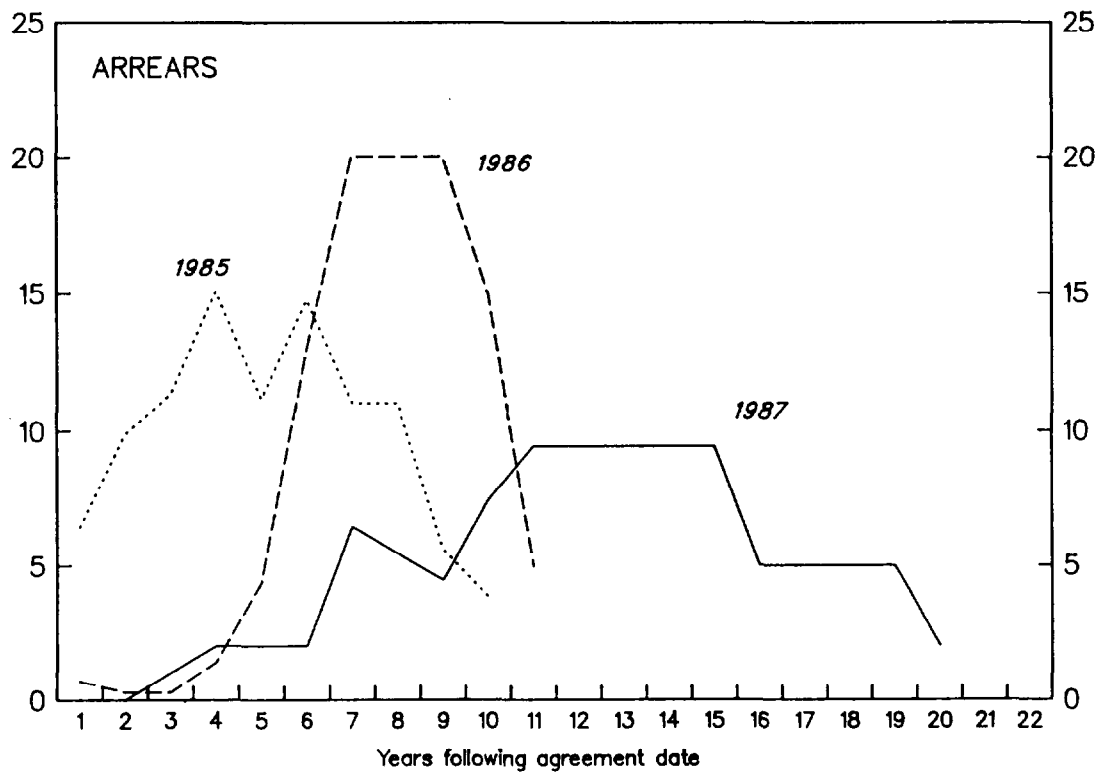
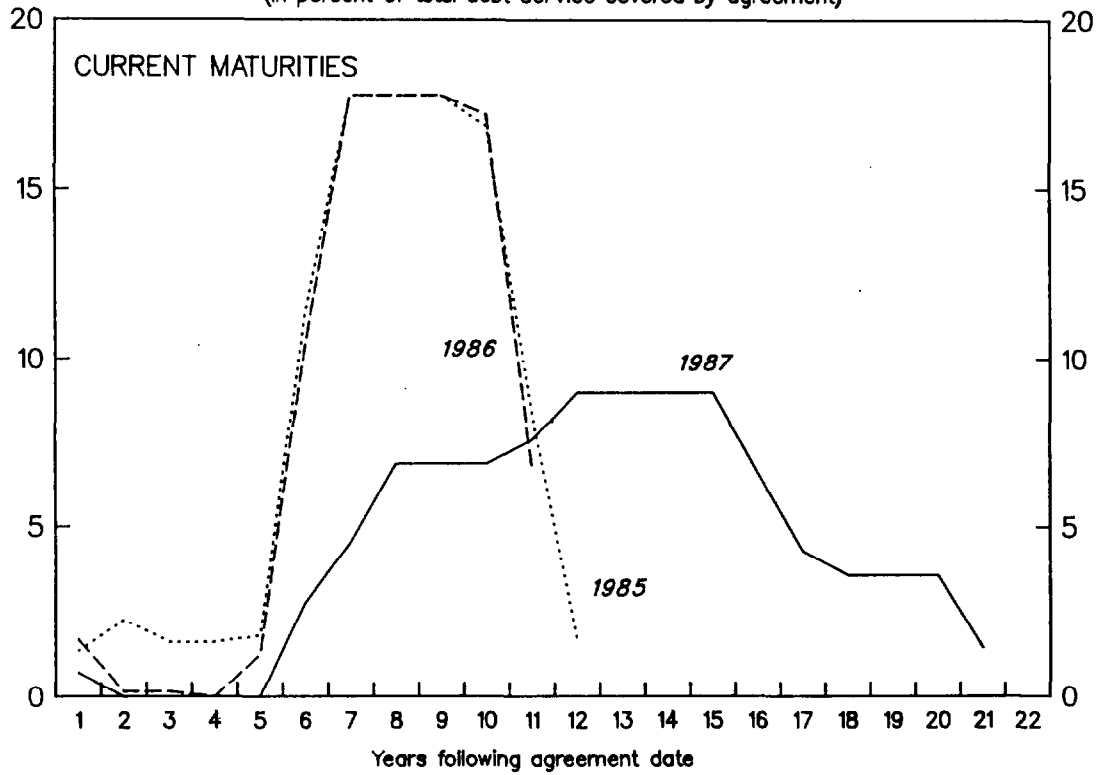
Sources: Paris Club Agreed Minutes; and staff estimates.

1/ Within the two preceding calendar years.

In a few cases the absence of a new consolidation reflected progress toward balance of payments viability and increased donor support. However, more broadly, this development was due to delays in, or problems with, the framing and undertaking of new adjustment programs that could provide the basis for a new consolidation. In addition,

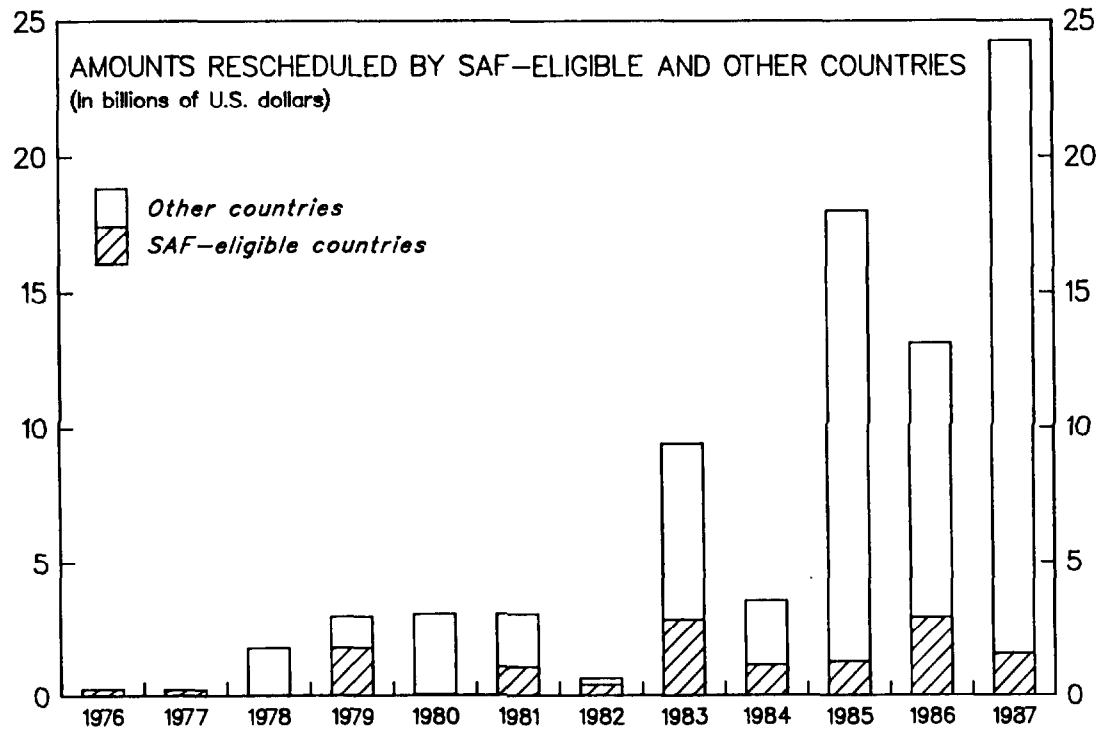
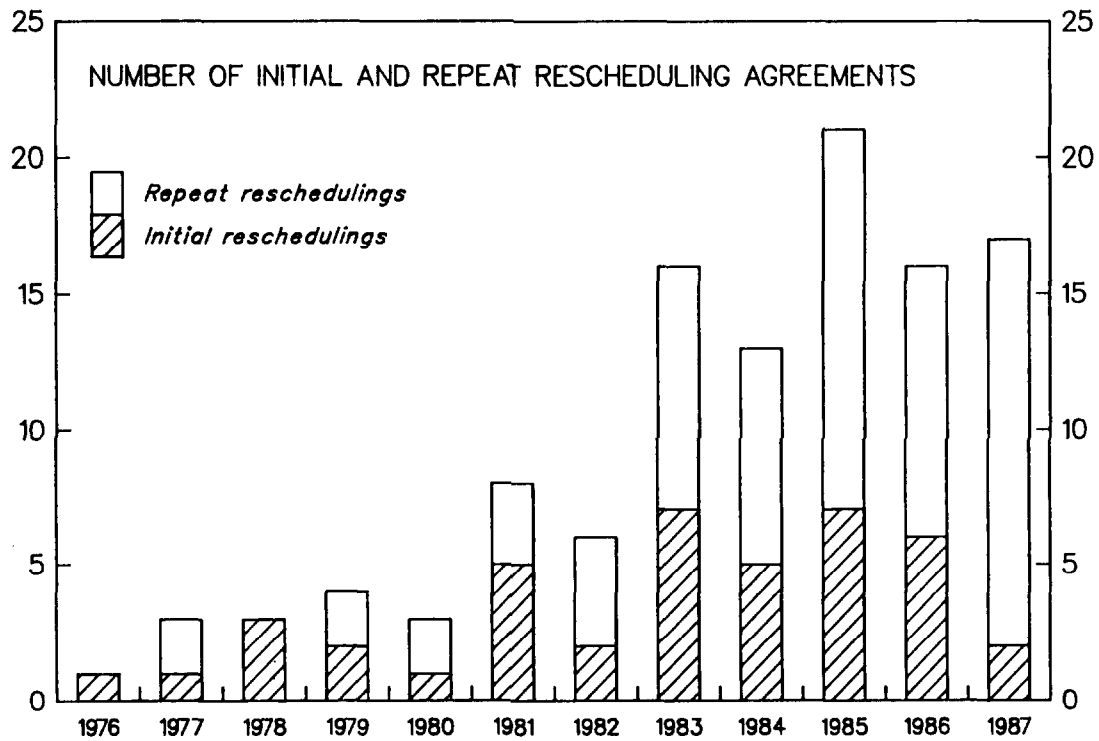
CHART 2
AVERAGE REPAYMENT SCHEDULE FOR
SAF-ELIGIBLE COUNTRIES, 1985-1987

(In percent of total debt service covered by agreement)



Sources: Agreed Minutes; and Fund staff calculations.

CHART 3
OFFICIAL MULTILATERAL DEBT RENEGOTIATIONS, 1976-1987



Sources: Agreed Minutes; and Fund staff calculations.

there were a number of countries without a recent prior consolidation and without an adjustment program but in need of multilateral relief from official creditors. At the beginning of 1988 there were about 25 Fund member countries that did not have a Paris Club agreement in effect but which could be expected to seek an official rescheduling if and when an adjustment program was in place.

Against the backdrop of an increasingly difficult debt situation for many member countries, the rate at which Fund-supported adjustment programs were concluded was, no doubt, the single most important factor in determining the frequency of Paris Club reschedulings. There was a clear two-way linkage: Fund arrangements were required by official creditors as a precondition for a rescheduling, but the financing of Fund-supported programs also became increasingly dependent on securing relief from official (and other) creditors. In 1986 and 1987, four fifths of programs supported by the Fund through a stand-by arrangement or extended Fund facility and two thirds of those supported by SAF arrangements entailed financial support through Paris Club reschedulings, continuing a rising trend which was already observable in 1983-85. Prior to 1983, only a small percentage of Fund-supported programs required exceptional financing in the form of a multilateral rescheduling by official creditors.

As indicated earlier, an increasing number of consolidations was accounted for by repeat reschedulings. While still in 1986, 6 out of 16 agreements were concluded with countries without a prior rescheduling in recent years, there were only two such cases among the 17 agreements concluded in 1987 (Egypt and Guinea-Bissau). This contrasts with the experience in 1981-83 where nearly half of all rescheduling agreements were with countries without a recent prior consolidation. In terms of frequency of rescheduling agreements (but not in volume of debt relief) reschedulings with low-income countries--as, for example, defined in terms of SAF-eligibility--were dominant, accounting for 18 of the 33 agreements concluded in 1986 and 1987. Twenty-three of these 33 agreements were concluded with African countries, 6 with countries in the Western Hemisphere, 2 with European countries, and 1 each with countries in Asia and the Middle East. This geographic distribution was in line with developments in earlier years.

As regards amounts of total debt relief, the year-to-year variability has been markedly higher than the variation in the frequency of reschedulings, reflecting the concentration of indebtedness on a few very large debtor countries. From 1983 through 1987, rescheduling agreements resulted on average in debt relief of about US\$14 billion a year. This contrasts with an annual average amount of debt relief of less than US\$2 billion a year in the period 1976 through 1982. In 1986, the amount of debt relief declined in line with the frequency of reschedulings from the peak of US\$19 billion recorded in 1985 to US\$13 billion; about half of this amount was accounted for by the consolidation of the Nigerian debt. Although in 1987 the number of reschedulings increased only marginally from 16 to 17, the total amount of debt relief reached a new peak of US\$25 billion. Rescheduling agree-

ments with only three countries (Brazil, Egypt, and Poland) accounted for US\$19 billion of total relief while the remaining 14 agreements accounted for the balance of US\$6 billion. Most debt relief originated from the rescheduling of arrears. Although SAF-eligible countries accounted for 55 percent of reschedulings in 1986 and 1987, debt relief accorded to this group of countries amounted to only 12 percent of total relief (Chart 3).

2. Coverage of debt consolidation

a. Overview

Typically, official debt reschedulings cover both principal and interest payments on medium- and long-term loans falling due during a given period (the consolidation period); where necessary, payments already in arrears (i.e., having fallen due before the beginning of the consolidation period) have also been rescheduled, especially in the case of countries undertaking a rescheduling with official creditors for the first time (Appendix I, Table 5). In general, the practices with regard to coverage have reflected concerns about (a) efficiency, ^{1/} (b) equitable burden-sharing among official creditors, (c) restoring and preserving the flow of new export credits, and (d) progressing toward normal creditor/debtor relations.

Paris Club agreements always exclude debts contracted by binational or multinational entities or guaranteed by a third party, e.g., a non-resident corporation or a government other than that of the debtor or creditor. Apart from these, Paris Club principles do not permit the exclusion of any other types of bilateral debt from the rescheduling agreement. In the past, some debtor countries have requested various other types of exclusion but, primarily for reasons of precedent and intercreditor equity, official creditors have always refused to accede to such requests. In particular, creditors have reaffirmed that secured debts, debts repayable in commodities, and debts covered by special payments mechanisms are subject to the provisions of the Agreed Minute and that no distinction is to be made between buyers' and suppliers' credits. Also, creditors have refused requests by debtors to set the "de minimis" amount at an exceptionally high level in order to limit the number of creditors participating in the rescheduling.

Increased recognition among debtors and official creditors of the link between Paris Club reschedulings and the stance of cover policies

^{1/} To avoid the need to negotiate bilateral agreements for relatively small amounts of possible relief, in each Agreed Minute a "de minimis" level is specified; creditors for which debt service covered by the Agreed Minute, both arrears and current maturities, is below that level are excluded from the rescheduling, and obligations to these creditors are to be paid on the due date. The "de minimis" level is traditionally set at SDR 250,000, SDR 500,000, or SDR 1 million, depending on the size of the debtor's economy and its debt service obligations.

of export credit agencies has resulted in major changes in the provisions regarding the types of debt included in the reschedulings. An attempt was made to protect certain types of debt from reschedulings so as to minimize the negative repercussions of interruption of regular debt service on the export cover stance. First and foremost, this subordination strategy has involved the firm maintenance since May 1984 of the cutoff date in all official rescheduling agreements for Fund member countries seeking successive reschedulings. Second, the long-standing policy of the Paris Club with regard to excluding service on short-term debt falling due during the consolidation period was applied more strictly; since 1983 short-term debt service (not in arrears) was excluded from reschedulings in all cases without exception. Third, increasingly debtor countries have asked to exclude debt contracted by their private sector from rescheduling.

Creditors also continued their long-standing policy of seeking to exclude from rescheduling debt service previously consolidated. Due to increasingly frequent successive reschedulings and the difficult debt situation, this was often not feasible and at times would have conflicted with the higher priority goal of preserving unchanged the cutoff date.

b. Restoring and safeguarding the flow
of export credits through subordination

(1) Cutoff date

The increased sensitivity among debtors and official creditors to the implications of Paris Club rescheduling terms for the cover policy stance of export credit agencies was the major theme of the previous review paper (Recent Experience with Multilateral Official Debt Restructuring (SM/86/194, 8/7/86)). Creditors' policies in 1986 and 1987 were an extension and intensification of those previously identified. Since May 1984, all 43 official rescheduling agreements for countries seeking successive consolidations, without exception, have maintained the cutoff date unchanged (Appendix I, Table 11).

Debtor countries themselves did not generally seek a change in the cutoff date. This reflected several factors. One, in instances where there had been a substantial new flow of export credit, the debtor country judged that the likely negative impact on new lending and guarantees by export credit agencies would outweigh any increase in debt relief. Two, in cases where there had not been substantial new lending--perhaps because new arrears had emerged or the conclusion of the bilateral agreements had been delayed--debtors judged that changing the cutoff date would not enlarge significantly the amounts of debt covered by the rescheduling. Three, creditors were agreeable to rescheduling a higher percentage of principal and interest and also to include PRD, when necessary, to compensate for the exclusion of debt service on post-cutoff date debt from the rescheduling. As noted in "Officially Supported Export Credits - Developments and Prospects" (SM/87/195, 8/5/87), the Paris Club's strict adherence to this strategy of not changing cutoff dates was the main factor behind export credit

agencies' increased willingness to restore and maintain cover for countries that were expected to need a series of reschedulings. To underscore creditors' intentions with regard to the cutoff date, all rescheduling agreements concluded in 1986 and 1987 that contained a reference to creditors' willingness to consider additional debt relief in the future (the goodwill clause) explicitly indicated that a future rescheduling would be granted on the basis of the same cutoff date as that of the rescheduling then being undertaken.

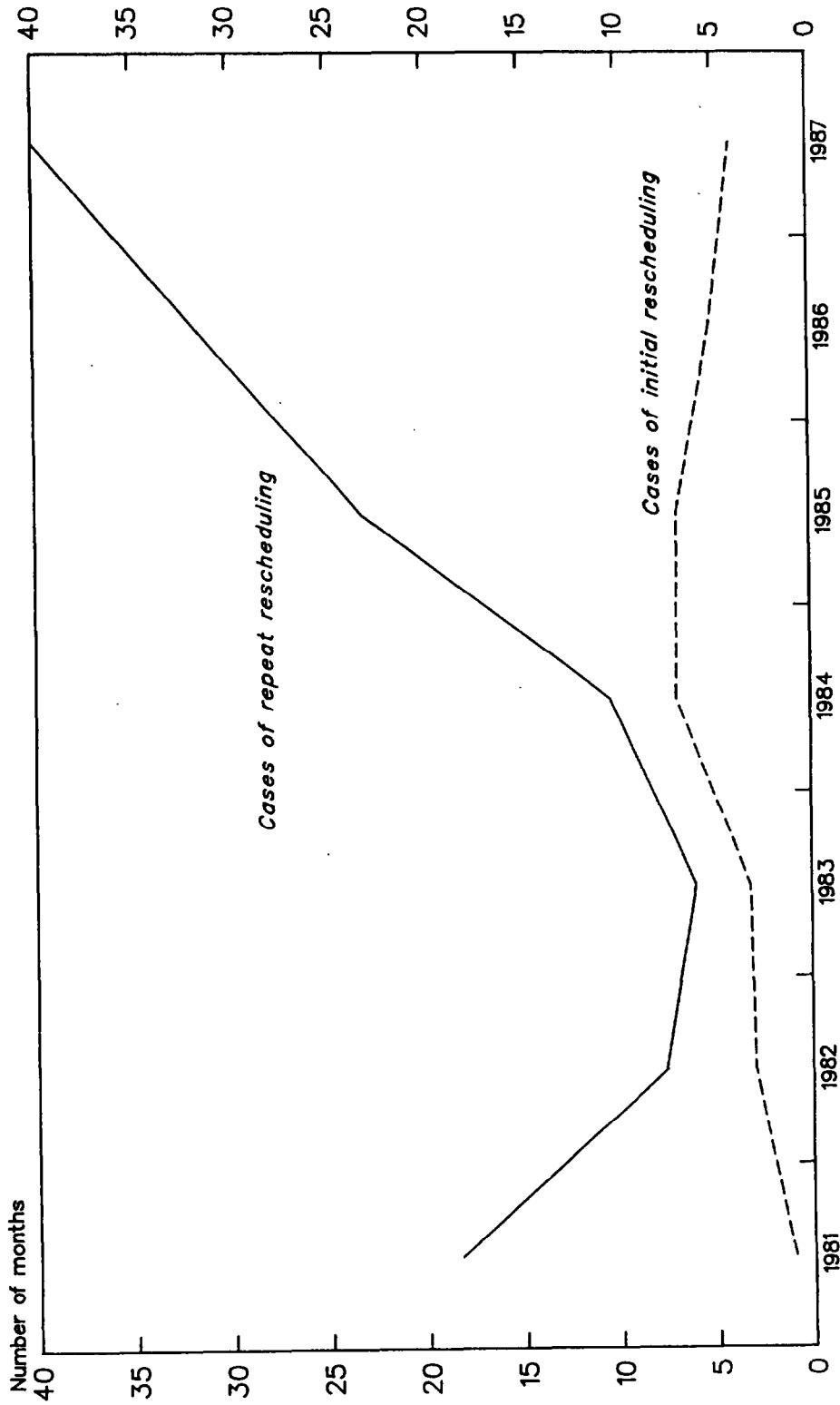
In the past, once it became known that a country was seeking a first rescheduling, export credit agencies have generally halted new lending and reduced or eliminated cover to avoid having new credits included in the forthcoming consolidation and in future reschedulings. More recently, debtors and official creditors have sought to prevent a potential interruption in financing flows by setting the cutoff date for countries seeking a first rescheduling well before the beginning of the consolidation period. Thus, credits contracted in the immediately preceding months would be protected from the rescheduling and from further consolidation.

The recent policies on the cutoff date in cases of initial and successive reschedulings are reflected in the evolution of the average cutoff interval, which is the period (in months) between the cutoff date and the beginning of the consolidation period (Chart 4). For countries requesting successive reschedulings, the 1982-83 period evidenced a low average cutoff interval as creditors had agreed to a change in the cutoff date in an increasing number of cases. In view of the adverse effects on new export credit flows, this practice was discontinued in 1984 and the average cutoff interval in cases of successive reschedulings increased from 8 months in 1983 to 32 months in 1986 and 39 months in 1987. The second change in cutoff date policy discussed above was evident for countries that had not had a prior consolidation in recent years. While for this group of countries the average cutoff interval was as low as 1 month in 1981 and 3 months in 1982-83, it averaged 7 months in 1984-85. However, in 1986-87 the average cutoff interval for these cases declined to 5 months.

(2) Exclusion of short-term debt

Debtors and official creditors have generally sought to exclude the rescheduling of service on short-term debt (with an original maturity of one year or less), since such exclusion was seen to facilitate in most instances the maintenance of crucial short-term trade credits and cover by export credit agencies. As a result, short-term trade finance has often been preserved even where export credit agencies were off cover for medium- and long-term business; such maintenance of the flow of regular short-term trade credits can be essential to the financing of

CHART 4
AVERAGE CUTOFF INTERVAL¹ FOR CASES OF INITIAL AND
REPEAT RESCHEDULINGS,² 1981-1987



Sources: Paris Club Agreed Minutes; and Fund staff calculations.
¹Defined as the average numbers of months between the cutoff date and the beginning of the consolidation period.
²For the purpose of this graph repeat reschedulings are defined as cases where the country had a previous consolidation since 1976 and initial reschedulings are cases where there was no rescheduling since 1976.

Fund-supported adjustment programs. ^{1/} The importance attached to this policy by debtors and creditors is underscored by the fact that since 1983 there have been no agreements in which obligations on short-term debt falling due during the consolidation period were rescheduled. Short-term debt already in arrears has been rescheduled somewhat more often; there were three countries in the second half of 1986 (Tanzania, The Gambia, Nigeria) that approached the Paris Club for the first time and where the rescheduling of short-term arrears was deemed unavoidable by creditors considering the difficult cash flow situation and the long-standing nature of the problem. In these instances short-term cover had generally been withdrawn and little additional harm, if any, was seen from including these arrears in the rescheduling agreement.

(3) Exclusion of private sector debt

Until recently, Paris Club rescheduling agreements have generally covered debts ^{2/} of both the public and private sectors in the debtor country, except in cases of countries belonging to a currency union where the problem of foreign exchange transfer is not relevant (as an inability of a private debtor to meet debt service payments would reflect a purely commercial risk). In July 1985, at the request of the debtor country, private sector debt was excluded from the rescheduling agreements for Chile and Jamaica and, subsequently, also in the rescheduling agreement for Morocco. The exclusion of debts of the private sector from reschedulings became more frequent in the second half of 1986 and in 1987, with the agreements for Bolivia, Mexico, the Philippines, and Egypt, as well as new consolidations for Chile, Jamaica, and Morocco. Also, the Nigerian rescheduling in December 1986 excluded private sector debt from the rescheduling of current maturities, but not arrears.

The increased tendency for debtor countries to request that private sector debt not be included in Paris Club reschedulings reflects several factors. On policy grounds, the exclusion of private sector debt can contribute to the maintenance or renewed access by the private sector in these countries to new loans extended or guaranteed by export credit agencies, as these agencies and their authorities are generally willing to stay on cover for the private sector if such debt has been excluded from the rescheduling and is being serviced on a current basis. However, operational considerations were also frequently behind the decision by debtor country governments to seek an exclusion of private sector debt to simplify the rescheduling process. It has often been difficult in practice for the debtor country's authorities to identify eligible private sector debt and to separate clearly cases of commercial default, which are not covered by Paris Club reschedulings. The

^{1/} The importance of short-term credits is underscored by the fact that, in some important instances, the stock of officially guaranteed short-term trade credits was close to, or equal to a significant percentage of, debt relief extended on medium- and long-term credits.

^{2/} Arising from loans extended by, or guaranteed by, the governments or the official agencies of the participating creditor countries.

increased tendency of debtor country governments to argue for an exclusion from rescheduling of their private sector debt may also reflect that the establishing and maintaining of domestic currency counterpart deposit schemes have posed a not insignificant administrative burden.

Where official creditors have provided cover with respect to commercial risk on loans to private borrowers, they retain this risk under the terms of the original insurance contract. Official creditors have therefore required that private debtors be permitted to make debt servicing payments according to the original payments schedule. For countries where private debt is rescheduled, creditors have therefore generally insisted on a clause in the Agreed Minute whereby the debtor undertakes to establish or maintain the necessary mechanisms to ensure that private debtors are permitted to pay the local currency counterpart of their debt service obligations that are falling due into an account with the central bank or other appropriate institutions on due date. Thereafter, the official creditors' claim is on the debtor government under the rescheduling agreement. Where private sector debt has been excluded from the rescheduling, an undertaking is contained in the Agreed Minute whereby the debtor government agrees to guarantee the immediate and unrestricted transfer of foreign exchange in all cases where the private sector debtor pays the local currency counterpart for servicing its debt to Paris Club creditors.

A generalized exclusion of private sector debt from official multilateral rescheduling agreements has not appeared to be in the interest of either debtor and creditor countries. First of all, private sector debt may be relatively large compared with the country's total financing needs and its exclusion would open up a large unfinanced gap in the balance of payments in instances where even a comprehensive rescheduling of public sector debt could not provide sufficient debt relief. Second, typically various Paris Club creditors register different relative exposures vis-à-vis the public and private sectors of a debtor country, and the exclusion of private sector debt from the rescheduling could give rise to important issues of intercreditor equity and burden-sharing in the provision of debt relief. Third, official creditors have in some cases benefited from the inclusion of private sector debt in Paris Club rescheduling as this enabled private debtors to obtain preferential access to foreign exchange--including at times at a preferential exchange rate--when the authorities had put in place a more general scheme of preferences for deferred debts. Access to a preferential exchange rate, of course, reduces the commercial risk to which foreign lenders are exposed.

c. Practices to foster graduation from debt problems

Official creditors' practices have led to the emergence of a general hierarchy among the various categories of debt service consistent with the objectives of providing adequate relief and fostering the debtor country's graduation from debt-servicing difficulties. At

the same time, official lenders, e.g., export credit agencies, view the composition of the debt service consolidated as an indication of progress made toward graduation and thus indicative of a country's creditworthiness. While the absence of a need for a new Paris Club consolidation (and for other forms of exceptional finance) is the clearest signal that a country has achieved a viable payments position, countries that are seeking a rescheduling of principal only are generally viewed as close to resuming normal relationships with creditors. The fact that interest was excluded from the rescheduling is seen by creditors as evidence that the country has largely completed its current account adjustment. Examples are the original MYRAs for Ecuador and Côte d'Ivoire in 1985 and 1986 and the extended consolidation agreed with Yugoslavia in 1986; in these instances a declining percentage of principal was to be rescheduled. There were two further recent examples (Niger in 1986 and Chile in 1987) where only nonpreviously consolidated principal was rescheduled.

While creditors have traditionally included interest in their rescheduling, they have also recognized that a comprehensive and repeated consolidation of interest results in an exponential growth of indebtedness. This danger particularly arises in series of successive reschedulings where PRD cannot be excluded from subsequent reschedulings. One of the objectives of excluding PRD from a new agreement (when possible) is that eventually the debtor country would graduate from successive reschedulings, as the base to which new reschedulings would apply would become progressively smaller in view of the firmly established cutoff date policy. The rescheduling for Senegal is one example of the progress made toward graduation through the exclusion of PRD; the 1987 rescheduling applied to less than half of debt service due to official creditors during the consolidation period. The need to include PRD in successive reschedulings is seen as a sign of a quite difficult debt situation.

Before mid-1982, official creditors had generally excluded from a consolidation all principal and interest due under previous reschedulings (Appendix I, Table 10). However, with the continuing trend toward successive rescheduling agreements, PRD's share in debt service has risen. In 1986 and 1987, PRD was rescheduled in 11 of the 25 cases where the debtor country had obligations due under previous reschedulings, i.e., slightly more frequently than had been observed in the period immediately following the onset of the debt crisis.

The rescheduling of late interest (i.e., interest charged on obligations in arrears) had remained highly exceptional even after the onset of the debt crisis. The first exception was made for Zaïre in late 1983. There were two further cases in 1985 (Poland and Equatorial Guinea) and another instance in the first half of 1986 (Guinea). However, from the second half of 1986 onward, there has been a marked increase in rescheduling agreements that included late interest. During the 18-month period ending December 1987, late interest was included in 11 out of 27 rescheduling agreements; most of these debtor countries had accumulated large arrears that had been outstanding for a number of

years so that late interest had grown to quite sizable amounts. Typically, the debtor countries concerned had long-standing debt difficulties and no recent previous consolidation. In these circumstances, the relatively large amounts of accumulated late interest and the debtor country's difficult cash flow position made the rescheduling of late interest unavoidable. Creditors and debtors alike remain concerned, however, about the implications for regaining viability of consolidating not only arrears on interest and principal, but also late interest.

3. Consolidation period

Official debt relief applies to current debt service payments on debts covered by the agreement and falling due during a specified period of time (consolidation period) (Appendix I, Table 4) and, at times, also to debt service that fell due earlier but was not paid, i.e., arrears. Paris Club creditors have tried in recent years to align the period of consolidation more closely with the period of the country's arrangement with the Fund. There was a lengthening of the average consolidation to 15 months in 1985; however, in 1986, the average length of the consolidation period declined to 14 months. In 1987, the average consolidation period rose to 16 months, partly because, in a new departure, consolidation periods were extended in a few cases beyond the period covered by the Fund arrangements, inter alia, to assist debtor countries with parallel financing packages with commercial banks. ^{1/}

Where Fund arrangements have covered two or more years, it has generally not been possible to determine at the outset the precise amount of debt relief needed for the second and third years of the adjustment program. In these instances, prior to the emergence of MYRAs in 1985 and 1986, official creditors had relied on a flexible approach of tranching that left certain conditions to be determined at a later stage. By contrast, the MYRAs with Ecuador and Côte d'Ivoire predetermined from the outset the (declining) percentage of debt relief for each year of the consolidation period. Although the extended consolidation with Yugoslavia called for an additional meeting to determine the precise amount of debt relief for later periods, the Agreed Minute had specified that only a declining percentage of principal could be rescheduled.

Although there were no further MYRAs or other forms of agreements with extended consolidation periods after the first half of 1986, official creditors have continued to provide long effective consolidation periods to countries seeking successive rescheduling agreements. Overall, of the 42 countries that undertook debt renegotiations since 1976, 30 countries did so on more than one occasion and, as noted earlier, 15 of 17 agreements in 1987 related to countries with recent

^{1/} The averages exclude the MYRAs agreed for Ecuador in April 1985 and for Côte d'Ivoire in June 1986, as well as the extended consolidation for Yugoslavia. For 1987, the rescheduling of Brazil was excluded as only the rescheduling of arrears became effective.

prior consolidations. As illustrated in Chart 5 and Appendix I, Tables 8 and 9, there are a significant number of countries for which successive reschedulings effectively provided long consolidation periods either through a seamless sequence of consolidation periods or through the rescheduling of arrears that had arisen in between agreements. Nineteen countries have concluded 3 or more reschedulings since 1976 and in 9 cases the cumulative consolidation period was 5 years or more, even without the inclusion of periods for which arrears were consolidated.

The determination of the beginning date of the consolidation period has important implications, particularly in successive reschedulings. Since official creditors do not consider a subsequent rescheduling request until a new adjustment program is in place, debtors often have incurred de facto arrears in the interval as there are frequently delays in the formulation of new adjustment efforts that can be supported with arrangements from the Fund. Creditors have in the majority of the agreements concluded in 1986 and 1987 set the beginning of the consolidation period several months before the date of the Paris Club Agreed Minute, partly to avoid dealing separately with small amounts of arrears that may have arisen. How far back the beginning of the consolidation period is set has direct cash flow implications for debtor countries with arrears in instances where either late interest is rescheduled or a different percentage of arrears is rescheduled than of current maturities.

4. Amounts restructured and repayment terms

Paris Club agreements do not provide for the rescheduling of the full amount of debt service payments falling due during the consolidation period. First of all, as noted in Section IV.2 above, certain debts are generally not covered (such as service on short-term and on post-cutoff date debts). For covered debt service, a large portion is usually rescheduled on a medium-term basis according to the repayment terms specified in the Agreed Minute. Remaining debt service payments are either to be made according to the terms of the original contract or else they are granted a short deferral.

The percentage of debt service rescheduled and the repayment terms have traditionally tended to vary with the types of debt concerned. This tendency became temporarily more pronounced after the onset of debt servicing difficulties in mid-1982 and the subsequent large accumulation of arrears. Creditors have, for example, sought to apply more stringent terms to arrears in order to give debtor countries an incentive to undertake prompt remedial action. At times creditors also applied stricter terms (such as shorter grace and repayment periods) to PRD. The terms granted have also varied widely among debtor countries, depending on the gravity of their payments difficulties. However, in 1986 and 1987, there was an increasing number of cases where creditors judged that the debtor country's cash flow position did not permit the

application of more stringent terms to arrears or PRD, as the rescheduling of these categories often accounted for most of the debt relief provided.

For purposes of this paper it is useful to distinguish three different segments in the repayment structure of debt service covered by the agreement: (i) a formally rescheduled portion (i.e., consolidated debt service payments); (ii) a deferred portion, which includes that part of the unconsolidated obligations for which payment is postponed until after the end of the consolidation period; and (iii) a down payment, which is to be paid during the consolidation period. The formally rescheduled portion plus the deferred portion constitute the amount effectively rescheduled, i.e., payable after the end of the consolidation period. 1/

The percentage formally rescheduled for current maturities covered by the agreement jumped from an average of about 85 percent in 1983-1985 to 95 percent in 1986 and climbed further to over 97 percent in 1987 2/ (Appendix I, Tables 12-15). This resulted in a general disuse of the traditional short-term deferrals of part of the nonconsolidated maturities, as the remaining, normally very minor, amounts typically were to be paid on the original due dates. Since mid-1986, 100 percent of principal and interest was rescheduled in 67 percent of the agreements. In only 3 out of a total of 28 cases was less than 100 percent of current principal rescheduled. To some extent, this reflected the increasingly difficult debt situation of a number of countries. For some debtors the rescheduling of a higher percentage of debt service on covered debts was required because of the shrinking base for reschedulings due to the exclusion of PRD. The exclusion of post-cutoff date credits from the base also contributed, but to a lesser extent, as debt service on new loans was often small because grace periods had not yet expired and, for low-income countries, because new financial flows typically carried highly concessional terms. While the average grace period and average maturity in 1986 were very close to those recorded for the period 1983-1985, there was a marked lengthening in 1987 with the emergence of extended rescheduling terms for low-income countries (as discussed in Section III above).

1/ As an illustration, consider the case where total debt service covered by the agreement amounts to US\$100 million, and where creditors agree to reschedule 85 percent of it, with the remainder to be paid as follows: 5 percent before the end of the consolidation period and 10 percent in four equal semiannual installments starting the day after the end of the consolidation period. In this case, the amount formally rescheduled is US\$85 million, the down payment is US\$5 million, and the deferred portion is US\$10 million, to be paid at the rate of US\$2.5 million semiannually starting the day after the end of the consolidation period. The percentage of debt service effectively rescheduled is 95 percent.

2/ For agreements with extended consolidation periods (see Annex II), only the first tranche was taken into account in these calculations.

Chart 5. Official Multilateral Debt Renegotiations, 1976-Dec 1987
Consolidation Periods of Successive Rescheduling Agreements 1/

Country	1976	1977	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989
1. Zaire 2/	(1)---12---	3---	(1)---	(4)---	15---	13---	1---	16---	17---	8---	1---	(9)---		
2. Sierra Leone		(1)---		(2)---		13---					4---			
3. Turkey			(1)---	(2)---	15---									
4. Gabon 3/			(1)---								2---			
5. Peru			(1)---					2---	3---					
6. Togo			(1)---		1---	12---	13---	4---		5---				
7. Sudan			(1)---	1---	1---	13---	14---							
8. Liberia					1---	12---	1---	3---	4---					
9. Madagascar					(1)---	12---	1---	13---	14---	5---				
10. C.A.R.					(1)---	12---	1---	13---		3---				
11. Poland					1---	12---	1---	13---	14---					
12. Senegal					1---	12---	1---	13---	14---	5---				
13. Uganda					(1)---	12---	1---	13---				3---		
14. Romania					(1)---	12---	1---	13---						
15. Malawi					1---	12---	1---	13---						
16. Costa Rica					1---	12---	1---	13---						
17. Zambia					1---	12---	1---	13---						
18. Mexico					1---	12---	1---	13---						
19. Ecuador					1---	12---	1---	13---						
20. Morocco					1---	12---	1---	13---						
21. Niger					1---	12---	1---	13---						
22. Brazil 4/					1---	12---	1---	13---						
23. Cote d'Ivoire					1---	12---	1---	13---						
24. Yugoslavia					1---	12---	1---	13---						
25. Jamaica					1---	12---	1---	13---						
26. Mozambique					1---	12---	1---	13---						
27. Philippines					1---	12---	1---	13---						
28. Argentina					1---	12---	1---	13---						
29. Somalia					1---	12---	1---	13---						
30. Mauritania					1---	12---	1---	13---						
31. Bosnia. Rep.					1---	12---	1---	13---						
32. Equat. Guinea					1---	12---	1---	13---						
33. Chile					1---	12---	1---	13---						
34. Panama					1---	12---	1---	13---						
35. Guinea					1---	12---	1---	13---						
36. Bolivia					1---	12---	1---	13---						
37. Congo					1---	12---	1---	13---						
38. Tanzania					1---	12---	1---	13---						
39. Gambia					1---	12---	1---	13---						
40. Nigeria					1---	12---	1---	13---						
41. Egypt					1---	12---	1---	13---						
42. Guinea-Bissau					1---	12---	1---	13---						

Source: Agreed Minutes of debt reschedulings.

Notes: 1,2,3, etc. - start of successive consolidation periods.

4 - conditional future rescheduling actually effected.

1 - consolidation date of arrears.

1/ The number of consolidation periods may, in some cases, exceed the number of rescheduling agreements due to conditional future consolidations becoming effective. Representation of dates is approximate.

2/ For rescheduling agreements 2 and 3, consolidation period overlaps with previous consolidations.

3/ The 1978 rescheduling for Gabon consolidated only arrears.

4/ Conditional consolidation period of second agreement did not become effective.

This new policy of the Paris Club vis-à-vis the poorest and most heavily indebted countries adopted in 1987 contributed to a more extended repayment pattern for current maturities, although this tendency was discernable already in 1985 (Charts 6 and 7). The shift was even more pronounced for arrears, as there was a strong tendency to no longer require large repayments during the first year following the agreement (Appendix I, Tables 17 and 18). Large down payments and short deferral periods were in most instances not consistent with the need to close financing gaps. As a result, the average repayment pattern for arrears became very close to that for current maturities. ^{1/} Reflecting the same basic considerations, the tendency for applying more stringent terms to PRD was reversed. Where creditors judged that a rescheduling of PRD was unavoidable, service on such debt was generally rescheduled on the same terms as on debts not previously consolidated. In 1986 and 1987, the reschedulings for Morocco and Somalia were the only instances where creditors set a significantly shorter grace period and maturity for PRD (Appendix I, Table 16). In the case of Morocco, PRD was included in the rescheduling primarily because some additional short-term cash flow relief was needed. As regards Somalia, PRD (not in arrears) received the standard rescheduling terms of five years' grace and ten years' maturity, while debt not previously consolidated benefited from the new policy reserved for heavily indebted low-income countries and was rescheduled with ten years' grace and 20 years' maturity. PRD in arrears was rescheduled with a relatively short grace and maturity.

V. Recent Developments in Paris Club Linkages

1. Linkage to Fund arrangements and procedures

The Paris Club had established for more than a decade a firm policy of requiring debtor countries that were Fund members to have in place an upper credit tranche arrangement with the Fund as an assurance to official creditors that the country was pursuing appropriate adjustment efforts. An exception was the first rescheduling for Mozambique in 1984 which was based on a first credit tranche arrangement; however, Paris Club creditors did not consider this agreement as a precedent since at that time Mozambique had just joined the Fund. A clear exception to the

^{1/} However, if grace and maturity for arrears are measured from the date from which those arrears are consolidated, i.e., the beginning of the consolidation period for current maturities, the grace period and maturity for arrears exceed that granted for current maturities in a number of cases. For the purposes of this paper, maturity and grace period on rescheduled amounts of current maturities are measured from the end of the consolidation period, and for arrears and late interest from the beginning of the consolidation period (Appendix I, Tables 12-17 and 19-45). However, for analytical reasons, Charts 2-6 show repayment patterns for rescheduled current maturities and arrears relative to the date of the Agreed Minute as does Table 18.

long-standing policy was the rescheduling for Yugoslavia in 1986 as it was based entirely on enhanced surveillance procedures. ^{1/} Also, under the MYRA agreed for Ecuador, the third stage was conditional on either a new Fund arrangement in the upper credit tranche or on an enhanced surveillance procedure.

Reflecting basically the lack of adequate progress of most debtor countries toward restoring normal relations with creditors, there were no further Paris Club agreements based on enhanced surveillance procedures per se since the agreement concluded with Yugoslavia in May 1986. However, in a further adaptation of procedures, the Paris Club agreement for Brazil, concluded in January 1987, was based in part on a report by the Managing Director on the summing up of the Article IV consultation concluded in December 1986, and the 1987 portion of the rescheduling was conditioned, inter alia, on the summing up of the next Article IV consultation. This agreement was seen by creditors as different in the sense that it consolidated primarily the debt service arrears accumulated in 1985 and 1986 and provided only for an exceptionally short and conditional further consolidation of debt service falling due in the first half of 1987. Other unique features were that the limited rescheduling of current maturities was to be conditional on Brazil becoming current on its debt servicing obligations by mid-1987 and on the completion of a financing package with commercial banks. In the event, the conditional rescheduling of debt service did not become effective.

In late 1987, a comprehensive rescheduling with Poland was concluded without any linkages to arrangements from the Fund or any other formal linkages to a role by the Fund. Creditors took the view that this decision was not inconsistent with their long-standing policy regarding linkages to the Fund as Poland, like Mozambique in 1984, had only recently rejoined the Fund and negotiations between the Paris Club and the Polish authorities had commenced well in advance of Poland's re-entry into the Fund.

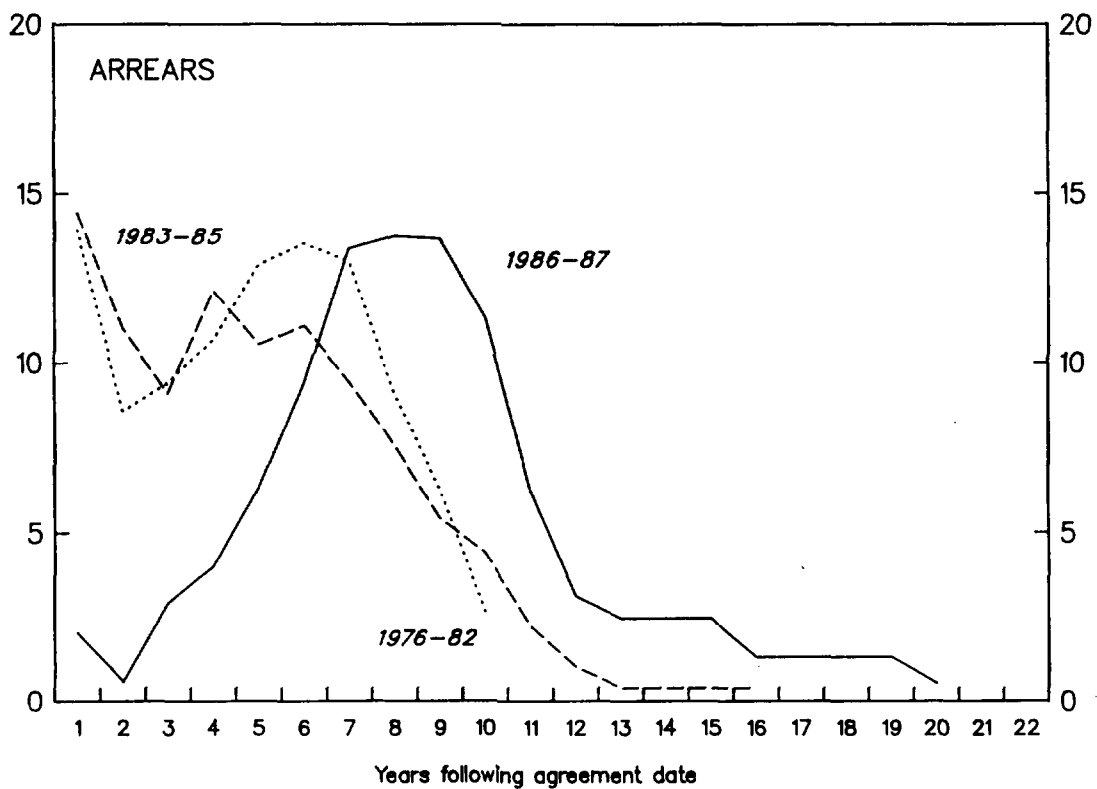
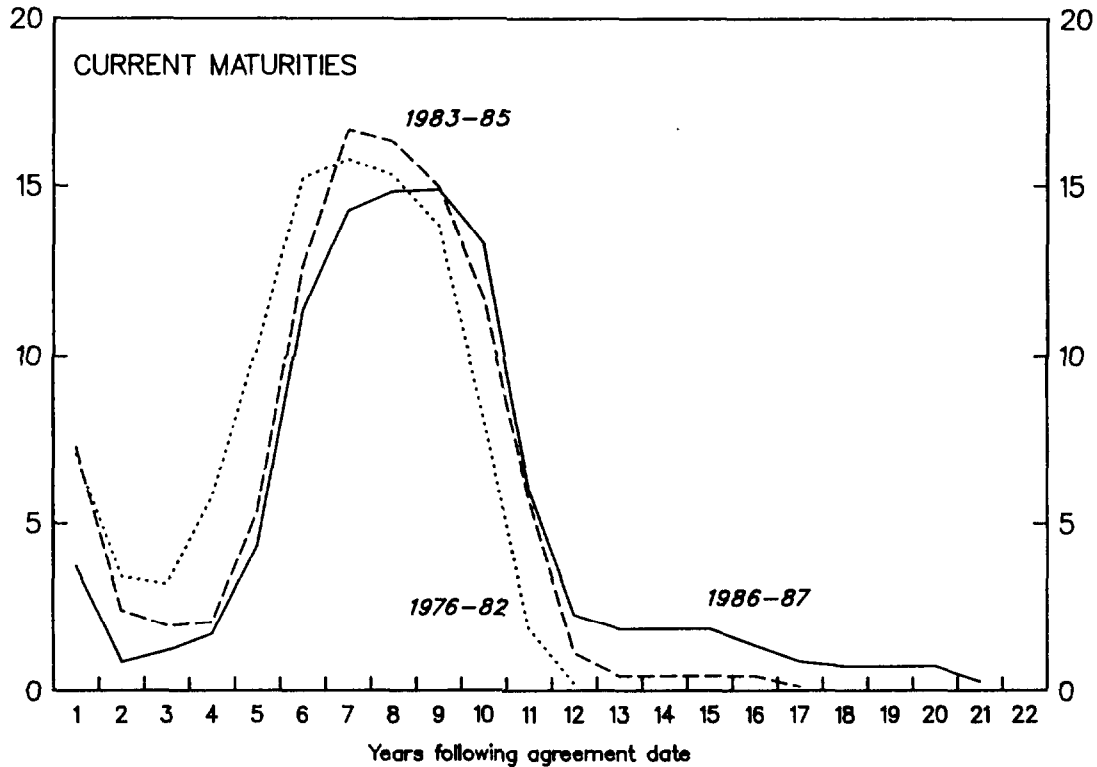
As discussed in Section III above, in early 1987 Paris Club creditors decided to accept on a case-by-case basis arrangements under the structural adjustment facility, without an accompanying upper credit tranche arrangement from the Fund, as a basis for a rescheduling agreement.

As the negotiations of new financing packages from commercial banks were becoming increasingly protracted in late 1986 and 1987, a significant number of arrangements from the Fund were approved "in principle" only. In these cases, Paris club creditors conditioned the effectiveness of the Paris Club Agreed Minute on the entering into effect of the Fund arrangement. At times official creditors expressed concern about the increase in approvals "in principle" of Fund arrangements as this

^{1/} See supplement: "Recent Experiences with Multiyear Reschedulings and Enhanced Surveillance" (forthcoming).

CHART 6
AVERAGE REPAYMENT SCHEDULE FOR CURRENT
MATURITIES AND ARREARS, 1976-1987

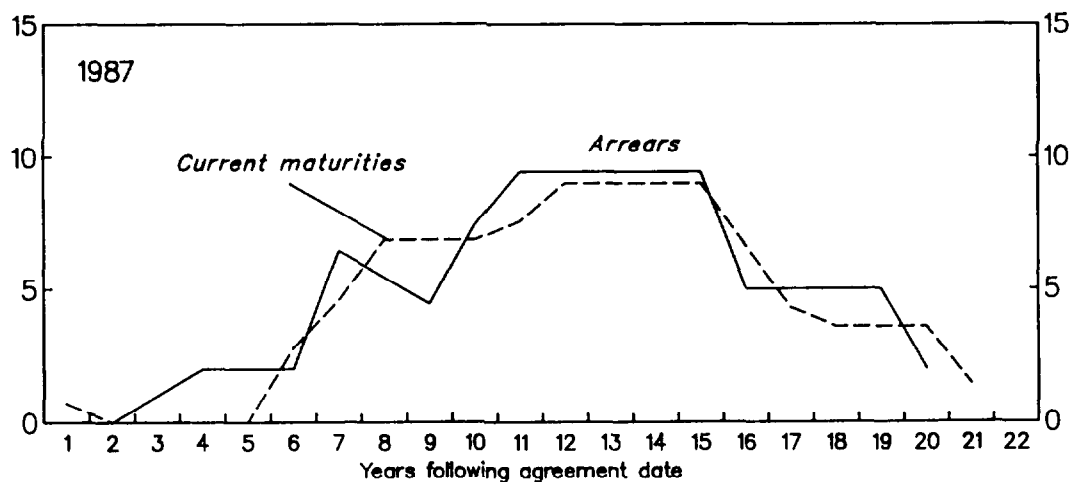
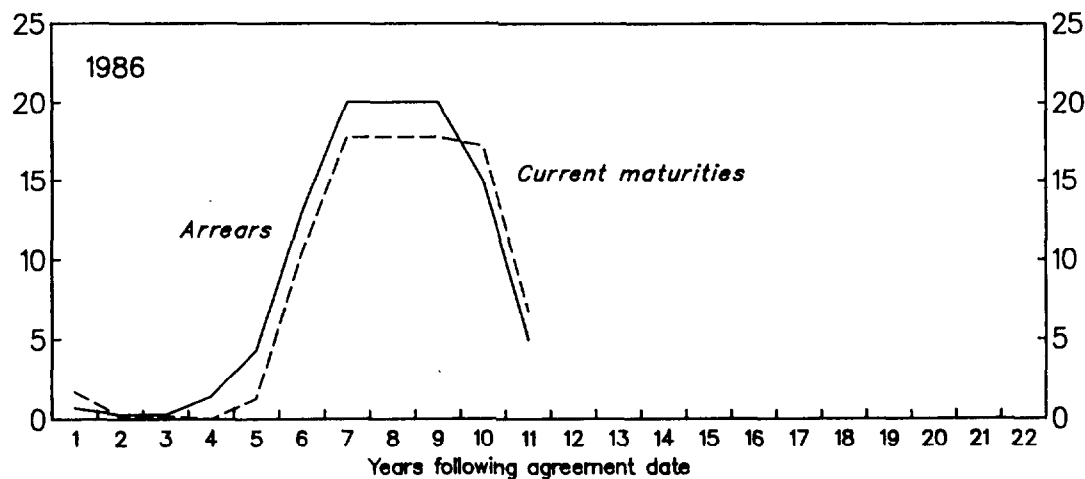
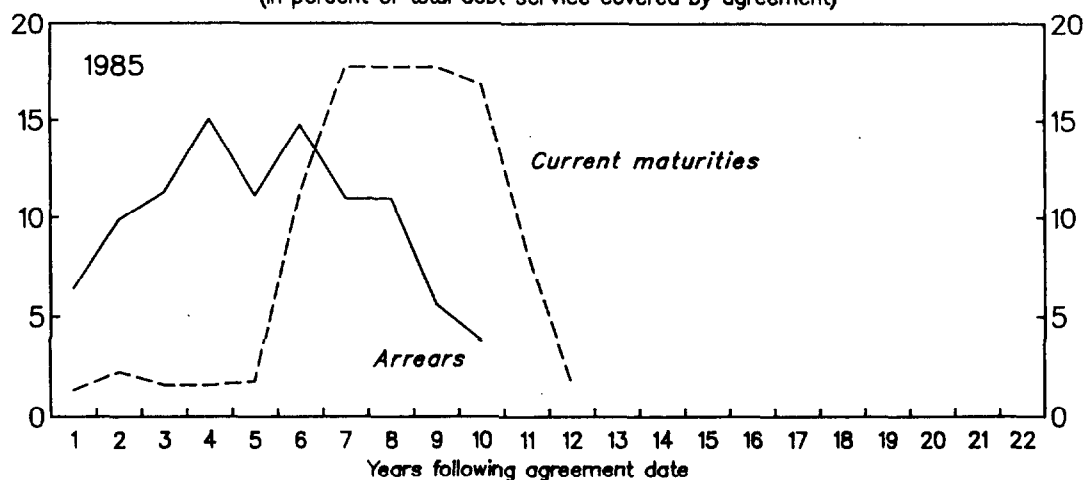
(In percent of total debt service covered by agreement)



Sources: Agreed Minutes; and Fund staff calculations.

CHART 7
AVERAGE REPAYMENT SCHEDULE FOR
CURRENT MATURITIES AND ARREARS FOR
SAF-ELIGIBLE COUNTRIES, 1985-1987

(In percent of total debt service covered by agreement)



Sources: Agreed Minutes; and Fund staff calculations.

implied that official creditors were asked to commit to specific amounts and terms of debt relief before the likelihood of comparable action by commercial banks could be assessed.

2. Comparability of treatment

Paris Club negotiations have given special consideration to the principle that the debtor should seek comparable treatment from its various creditors and with respect to all types of debt, and comparability provisions have long been a standard feature in Paris Club Agreed Minutes. By and large, creditors fall into one of four broad categories: multilateral lending institutions, official creditors participating in the Paris Club, nonparticipating official creditors, and private creditors, including commercial banks and nonguaranteed suppliers. Paris Club creditors expect the debtor to negotiate comparable reschedulings with all other creditor groups to which it has significant debt service obligations, with the exception of multilateral lending institutions, whose preferential status has long been accepted by official creditors.

a. Nonparticipating official creditors

Paris Club negotiations are open to all governments that have extended or guaranteed credits to the debtor country. While traditionally the participants have mostly been industrial countries, developing countries have participated as creditors in an increasing number of reschedulings (Appendix I, Table 3). There were even instances in recent years where a country attended a Paris Club session as debtor one day and as creditor the next. Among the major creditors that generally did not participate in the Paris Club but have in fact provided debt relief bilaterally are certain centrally planned economies (East European countries and China) and some Middle Eastern countries. Also, some countries that had participated as debtors in the multilateral reschedulings by the Paris Club chose not to participate as creditors in other cases. Through the most-favored-nation clause, Paris Club creditors have expressed precisely the strong importance they attach to the debtor obtaining comparable treatment from those official creditors not participating in the Paris Club. Paris Club creditors have also reaffirmed that comparability provisions apply to service on all types of debt, including untied concessional development assistance and loans repayable in commodities. Failure of the debtor country to comply with these provisions has in practice influenced Paris Club creditors' attitudes toward the terms of subsequent reschedulings. To assess compliance, most recently concluded Agreed Minutes stipulated the submission of written reports on the progress made in securing relief from other creditors; in one case even an interim report was called for.

It is recognized that creditor countries face diverse legal and institutional constraints. For example, certain government agencies may be bound by provisions that explicitly prohibit rescheduling. For these reasons, Paris Club creditors have noted that it is not the form the restructuring of debt service obligations takes, e.g., rescheduling

versus refinancing, but rather the effective debt relief actually provided that is relevant for assessing comparable action. Paris Club creditors have underscored, however, that refinancing loans must provide equivalent untied cash relief within the relevant consolidation period. For this reason, disbursements from loans tied to project financing or to imports do not qualify as refinancing flows for purposes of establishing comparable action. Paris Club creditors generally continue to make such disbursements in addition to providing debt relief through reschedulings.

The failure of a debtor country to conclude rescheduling agreements with creditors not participating in the Paris Club can have implications for its performance under a Fund arrangement. The Fund regards the conclusion of the multilateral Agreed Minute of the Paris Club as a satisfactory basis for determining, with respect to the financing of a program, that the debt relief from official creditors has been obtained, and any associated payments arrears eliminated. ^{1/} In the case where some official creditors decide not to be represented in the Paris Club, the Fund takes into account that such creditors could seek a bilateral agreement on the same terms, and within the same time limit (the bilateral deadline), as specified in the Paris Club Agreed Minute. The Fund would normally regard the failure to conclude by the stipulated date bilateral agreements with Paris Club creditors as well as with official creditors not participating in the Paris Club as entailing payments arrears. However, debtors' right to make further purchases would not be interrupted in the event that the debtor country was making best efforts to comply with the bilateral deadline. ^{2/} Therefore, while the enforcement of the principle of comparable treatment is a matter among creditors, the Fund takes into account the actions of all creditors when assessing the viability of, and progress under, a Fund-supported program. Also, debtor countries, in formulating their requests to various creditors, have found it to be important that those requests be consistent with the principle of comparable treatment.

b. Banks

Following the emergence of widespread debt-servicing difficulties in 1982, the approach initially taken in assessing comparable treatment was a fairly mechanical one of contrasting the banks' rescheduling agreements plus new money packages with debt relief from the official creditors. For a number of reasons, including the emergence of the "menu" approach in bank financing packages, it has become increasingly

^{1/} For purposes of Fund jurisdiction under Articles VIII and XIV, however, the restriction entailed in the payments arrears continues until eliminated pursuant to final agreement between the interested parties.

^{2/} "The Role of the Fund in the Settlement of Disputes Between Members Relating to External Financial Obligations" (SM/84/89, 4/25/84), page 12.

necessary to take a broader approach to assessing the contribution of official creditors versus bank creditors, both in specific countries and overall.

Efforts by banks and by official creditors to secure equitable burden-sharing in the provision of debt relief or concerted financing are evidenced by the parallel pace of bank and official restructurings. During the period under review, bank debt restructurings preceded or followed closely Paris Club reschedulings except in cases where external debt owed to banks was negligible or where banks had previously agreed to comprehensive rescheduling agreements covering an extended consolidation period (Appendix I, Table 7). Banks have also restructured debts for some countries that had only small obligations to official creditors and thus did not seek a Paris Club rescheduling or where the country had no Fund-supported program and thus no basis acceptable to official creditors for a Paris Club restructuring. However, as indicated in "Recent Developments in Commercial Bank Debt Restructuring" (forthcoming) recently there has been a tendency for banks to link debt relief or new financing to actions by official (and other) creditors even in instances where the potential for debt relief from official creditors was quite limited or where official creditors were already providing significant new financing through other channels.

In contrast, official creditors generally did not explicitly condition the effectiveness of debt relief on the completion of a parallel agreement with commercial banks. Although the debtor country undertakes in the Agreed Minute to seek comparable relief from banks and other creditors, failure to secure comparable relief from other creditors will not affect the validity of the Paris Club agreement but could have a bearing on the attitudes of official creditors in future consolidations. In the case of Brazil (January 1987), however, the effectiveness of a short further consolidation was explicitly conditioned, inter alia, on the completion of a financing package with commercial banks.

Implementation of comparability of treatment between banks and official creditors is a difficult task, in part as these creditor groups operate in different environments, which results in different approaches to provision of debt relief and new financing to a debtor country. Typically, Paris Club creditors reschedule part or all of both principal and interest falling due during the consolidation period. By contrast, banks have (mainly for regulatory reasons) almost always rescheduled varying percentages of principal only. Banks have in some cases contributed to the financing of a debtor country's adjustment program by agreeing to provide specified amounts of new credits; official creditors consider such "new money packages" as comparable to the rescheduling of interest by the Paris Club. While official creditors have attached great importance to the maintenance of the cutoff date, banks have occasionally rescheduled recently extended credits, including concerted new financing. As noted above, Paris Club creditors have not in recent years rescheduled short-term debt unless in arrears. Banks generally have excluded short-term debt from restructurings but have in some

instances adopted maintenance of exposure agreements or "trade facilities." In addition, short-term credits have been included in some cases in the base for calculating contributions to new money packages. Also in contrast to official creditors, banks generally have not distinguished between previously rescheduled debts and those not previously consolidated. Another important distinction in the approach taken is that official creditors do not restructure the stock of debt outstanding but only debt service payments due or overdue (arrears). Also, comparability considerations have been made more difficult as banks have sometimes rescheduled with significantly longer maturities than the Paris Club.

The recent development of the "menu" approach for banks' participation in financing packages and new techniques such as exit bonds, debt equity swaps, buybacks, etc., will make it increasingly difficult to assess equitable burden-sharing between banks and official creditors. The increased willingness of official creditors to provide bilateral aid and new export credits and cover for countries that are adhering to rescheduling agreements and are successfully undertaking adjustment efforts needs also to be taken into account in the assessment of comparability of treatment. In summary, there is no uniform approach to the assessment of comparability and standardized ratios or formulas cannot capture the broad range of factors that need to be taken into account.

c. Nonguaranteed suppliers

In addition to debt owed to commercial banks and official creditors, a debtor country usually has some obligations to nonbank creditors abroad comprising mainly private suppliers of goods and services, without the guarantee of official creditor agencies. The amounts owed to these creditors tend to be small, both in relation to amounts owed to the main creditor groups and in relation to the debtor's overall financing needs. However, attention has been focused in recent years on the foreign exchange required to continue servicing nonguaranteed suppliers' credits in cases where such obligations were large, and on the consequent greater burden this implied for other creditors.

In most cases there are a large number of suppliers, each holding relatively small claims, located in various countries and facing different legal and financial constraints. Moreover, available information on these obligations remains deficient for virtually all debtor countries, and the administrative costs of improving the data and establishing a framework to restructure such debt service could be so high as to outweigh the potential savings in foreign exchange. For these reasons, the majority of countries that have had Paris Club reschedulings have continued to opt either to remain current on some or all of these obligations or, when substantial arrears had accumulated, to settle them as part of an overall plan for the phased elimination of arrears.

In contrast to restructuring with banks or with official creditors, which have an established framework or set of procedures for rescheduling debt service payments, rescheduling of nonguaranteed suppliers' credits has taken a variety of forms. During the last year and a half, the rescheduling of nonguaranteed suppliers' credits was sought by three debtor countries that had Paris Club reschedulings. In two of these cases (Nigeria (1986) and Zaïre (1987)), a multilateral approach was taken. ^{1/}

In the case of Zaïre (1987), following a Paris Club rescheduling in May, a multilateral rescheduling was sought simultaneously with nonguaranteed suppliers, banks not participating in the broader based commercial bank rescheduling (London Club), and two official creditors not participating in the Paris Club. For this second meeting of the "Kinshasa Club" only nine out of a total of 27 invited creditors attended, and only three had a negotiating mandate. Although an agreement in principle was signed covering external arrears at end-1986 and debt service payments due in 1987 and 1988 relating to loans contracted before June 30, 1983 (the same cutoff date as for the Paris Club), the comparability of actual terms with those of other creditors cannot be assessed since the precise terms were to be negotiated bilaterally between the Zaïrian authorities and the creditors, and no final date was fixed for completion of negotiations. The agreement in principle, however, represented slightly more favorable treatment for the creditors than agreed at the Paris Club in respect of minimum grace, maturity, and rescheduling coefficients, though no guidelines were set with regard to interest rates.

In the case of Nigeria (1986), there were substantial arrears to uninsured creditors at the outset of the Fund-supported adjustment program. Arrears to uninsured creditors had previously been rescheduled under the 1984 Promissory Note Scheme, by which notes were to be issued in respect of all verified claims. Late interest calculated from the beginning of 1984 was to be paid when the notes were issued, and to be amortized over three and a half years beginning in October 1986. In the event, neither amortization nor interest payments were made; nor was the late interest paid on notes issued in mid-1986. Under the terms of the Paris Club agreement, the comparable insured claims were to have late interest capitalized to the end of 1986, to be amortized over five years beginning in 1990, with moratorium interest paid in full in 1987. Lengthy negotiations between the Nigerian authorities and a trustee representing the uninsured creditors resulted in agreement in principle to terms which were substantially more favorable to Nigeria

^{1/} In the case of Côte d'Ivoire (1987), which had on previous occasions sought a multilateral approach, the amounts involved were deemed insufficient to warrant rescheduling of nonguaranteed debts. In the case of Guinea (1986), attempts in the latter part of 1986 to reschedule multilaterally through the "Conakry Club" proved unsuccessful.

than those offered by the Paris Club. In January 1988, the majority of uninsured creditors accepted the final terms agreed in principle by the trustee on their behalf.

Finally, in the case of Argentina (1987), as in the case of Argentina (1985), the authorities offered the same rescheduling terms as agreed upon with foreign commercial banks for the rescheduling of similar maturities.

The available information on the above cases indicates the difficulty in making generalizations concerning the comparability of terms for nonguaranteed creditors with those granted to other creditors. It is also clear that there are serious problems in organizing nonguaranteed creditor groups and in maintaining their cohesion.

Official Multilateral Debt Renegotiations: Framework

Official multilateral debt renegotiations deal with the rescheduling of debt service payments on loans extended by, or guaranteed by, the governments or the official agencies of the participating creditor countries. They are normally, though not exclusively, undertaken under the aegis of the Paris Club. The Club has neither a fixed membership nor an institutional structure; rather it represents a set of practices and procedures that have evolved since the first such ad hoc meeting was convened for Argentina in 1956. Meetings are open to all official creditors that accept those practices and procedures.

The rescheduling exercise is initiated by the debtor country sending a formal request for a meeting to the Chairman of the Paris Club (who, by tradition, is an official of the French Treasury). The debtor supplies a breakdown of external debt service payments due by creditor on the basis of which the Chairman, in consultation with the debtor, sends invitations for a meeting to individual creditor countries. The Fund, the World Bank, the United Nations Conference on Trade and Development and, where relevant, the regional development bank concerned are invited to make presentations at the meetings. Official creditors meet with the debtor to negotiate an agreement (the Agreed Minute) which is then signed ad referendum by all creditor countries attending the meeting unless the amounts owed to them that would have been covered by the rescheduling agreement are less than a prescribed amount (the "de minimis" level), in which case creditor countries do not reschedule but may attend as observers.

The Agreed Minute sets out the broad terms of rescheduling that the participants recommend to their respective governments be incorporated in the subsequent bilateral agreements between the debtor and each creditor country. These bilateral agreements form the legal basis for the debt rescheduling and establish the interest rates on the debt rescheduled. The date by which such agreements are to be signed is specified in the Minute.

The objective of equitable burden-sharing among participating official creditors is at the heart of the multilateral approach of the Paris Club and is formally reflected in the access clause of the Agreed Minutes; this clause ensures participating creditor countries access to all bilateral agreements, and calls on them to report to the Chairman of the Paris Club the date of the signature of their bilateral agreements, the interest rates, and the amounts of debt involved in the rescheduling. All recent Agreed Minutes also contain an initiative clause and a most-favored-nation clause intended to ensure comparable treatment with nonparticipating official and private creditors. The initiative clause commits the debtor to seek to secure from public and private creditors a comparable rescheduling for credits of comparable maturity, while under the most-favored-nation clause the debtor explicitly agrees to accord creditor countries not participating in the Agreed Minute treatment no more favorable than that accorded to Paris Club creditors.

Since the late 1970s the initiative clause has contained a specific reference to banks and since mid-1983 it has also become standard practice to incorporate an explicit reference to nonguaranteed suppliers. Official creditors have underscored the importance they attach to these comparability provisions by introducing into the goodwill clause a stipulation indicating that the completion of effective arrangements with other creditors will be a precondition for a subsequent rescheduling. Issues and difficulties that have arisen with respect to comparability of treatment are discussed in Section V.

Official creditors require two preconditions for the initiation of a debt renegotiation. They must be convinced, first, that the debtor country will be unable to meet its external payments obligations unless it receives debt relief and, second, that the debtor country will take the steps necessary to eliminate the causes of its payments difficulties and to achieve a durable improvement in its external payments position. For countries that are Fund members, creditors rely on the Fund to help the debtor country design appropriate adjustment measures and have therefore generally required that an arrangement with the Fund be in place prior to the initiation of debt renegotiations.

The serial rescheduling agreements concluded in 1985 and 1986 with some debtor countries represent an exception to the requirement of an upper credit tranche arrangement with the Fund throughout the consolidation period. In those cases it was agreed that, provided the debtor had already achieved significant adjustment with the support of upper credit tranche arrangements, some or all of the stages of the serial rescheduling would be conditional on the satisfactory implementation of an economic program within the framework of enhanced surveillance. This latter procedure had been developed by the Fund to assist the restoration of normal market relations between creditors and debtor countries.

In early 1987, Paris Club creditors decided to accept on an exceptional and case-by-case basis an arrangement under the structural adjustment facility as evidence of appropriate adjustment policies being undertaken by the debtor countries. In the course of 1987, Paris Club creditors conditioned three reschedulings solely on arrangements under the structural adjustment facility.

Implementation of Agreed Minute

While the Agreed Minute sets out the general terms of the debt restructuring, except with regard to interest rates, the bilateral agreements concluded between the debtor country and each creditor country are the legal basis implementing the restructuring. Some creditor countries require, in addition to a framework bilateral agreement, that the debtor country conclude individual agreements implementing that bilateral with various national lending agencies involved in the rescheduling. Delays in the conclusion of bilateral agreements presented, at times, difficulties with the implementation of the Agreed Minute. (Problems with the implementation of rescheduling of private sector debts were a further source of problems as discussed in Section IV.2.)

Under the provisions contained in the Agreed Minute, the debtor country is expected to conclude the bilateral agreements with each individual creditor country without undue delay and, in any case, by the bilateral deadline (Appendix I, Table 6). The period between the date of the Agreed Minute and the bilateral deadline has averaged close to seven months in recent years. Official creditors will normally not agree to a meeting on a new rescheduling until the bilateral agreements implementing the previous Agreed Minute have been signed. For a variety of reasons debtor countries have often failed to conclude bilateral agreements by the deadline specified in the Agreed Minute. There were sometimes administrative problems, particularly in cases where a relatively large number of creditors were involved, in setting a mutually convenient negotiation schedule. In part, this has reflected also the fact that some major creditor countries had participated in as many as 50 Paris Club negotiations in the last three years and, therefore, had to negotiate a corresponding number of bilateral agreements. In addition, difficult technical and legal issues have sometimes arisen in the compilation and verification of the relevant data and claims. This has been a particular problem in the case of the first rescheduling and where questions related to long-standing arrears had to be resolved. The reconciliation of data related to short-term trade arrears has been particularly difficult. Also, in some cases, there have been protracted negotiations on the interest rates to be applied to rescheduled amounts.

On occasion, despite best efforts by the debtor country in negotiating with creditors, delays in the completion of a few of the bilateral agreements have occurred; in these instances, the official creditors concerned have generally been willing to proceed with a new consolidation. In such instances, the effectiveness of the new Agreed Minute may be conditioned on the conclusion of outstanding bilateral agreements under the previous Agreed Minute. Since interest rates are not determined until bilateral agreements are negotiated, the debtor typically does not begin to make moratorium interest payments until then. This results in a bunching of interest payments which otherwise would have been spread over the consolidation period. This bunching of payments at times has created problems when obligations on the rescheduled debt accumulated to a point where the debtor was unable to make the required payments following the signature of the bilateral agreements. This may have reflected unforeseen external factors in some instances but in other cases was due to policy slippages in the implementation of the adjustment programs; moreover, the emergence of new external payments arrears had serious implications under the Fund arrangement. To facilitate the implementation of the Agreed Minute, certain debtor countries have, therefore, agreed to establish a special account with a central bank of one of the participating creditor countries into which monthly deposits would be placed. The overall amount to be deposited is calculated so as to approximate the amounts payable to all participating creditors during the consolidation period. Special accounts have increasingly become a regular feature of the Agreed Minute for countries that are not a member of a currency union. Special

accounts were opened for five countries in 1985, for nine countries in 1986 and for six countries in 1987 (Appendix I, Table 6). While regular servicing of a special account can send a positive signal to official creditors, the establishment of a special account alone has not ensured the full implementation of the Agreed Minute as some debtor countries have failed to make the required monthly deposits.

Glossary of Selected Terms in Official
Multilateral Debt Reschedulings

Agreed Minute--The terms agreed upon in the multilateral rescheduling meeting are embodied in an Agreed Minute. The Minute normally specifies the coverage of debt service payments to be consolidated, the cutoff date, the consolidation period, the proportion of payments to be rescheduled, the provisions regarding the down payment, and the repayment schedule for both the rescheduled and deferred debt. Delegates to the meeting undertake to recommend to their governments the incorporation of these terms in the bilateral agreements that implement the rescheduling.

Arrears--unpaid amounts that fell due before the beginning of the consolidation period.

Bilateral agreements--Agreements reached bilaterally between the debtor country and agencies in each of the participating creditor countries establishing the legal basis of the debt restructuring as set forth in the Agreed Minute. Bilateral agreements specify the interest rate on amounts deferred or rescheduled (moratorium interest), which is agreed bilaterally between the debtor and each creditor.

Bilateral deadline--the date by which all of the Bilateral agreements must be concluded. The period for concluding Bilateral agreements is now generally six to seven months from the date of the Agreed Minute.

Conditional further rescheduling--See below, "multiyear rescheduling agreement."

Consolidation period--the period in which debt service payments to be consolidated or rescheduled under the terms applicable to current maturities have fallen or will fall due. The beginning of the consolidation period may precede, coincide with, or come after the date of the Agreed Minute.

Current maturities--principal and interest payments falling due within the consolidation period.

Cutoff date--the date before which loans must have been contracted in order for their debt service to be covered by the rescheduling. Decisions about whether to include in an agreement debt service due under previous multilateral official reschedulings are made independently of whether those previous agreements were before or after the cutoff date.

Cutoff interval--the number of months between the cutoff date and the beginning of the consolidation period.

"De minimis" clause--the provision whereby creditor countries whose claims that would be covered by the rescheduling agreement total to less than a specified amount are excluded from the rescheduling agreement.

In the past, the de minimis amount was set at around SDR 1 million, but since 1983 about one half of the agreements have provided for limits of SDR 500,000 or SDR 250,000. In the case of the two MYRAs granted as of June 1986 the de minimis amount for the three-year consolidation period was set at SDR 1.5 million. The debtor is expected to pay all claims excluded by this clause. Overdue claims are to be paid as soon as possible, and in any case by a date specified in the Agreed Minute.

Deferred payments--debt service obligations that are not rescheduled under the terms of the Agreed Minute but whose payment is postponed until after the end of the consolidation period.

Down payment--In this paper, down payment refers to payments falling due within the consolidation period on debts covered by the agreement.

Effectively rescheduled portion--the proportion of total payments covered by the rescheduling agreement that are rescheduled or otherwise deferred until after the end of the consolidation period.

Goodwill clause--refers to creditors' willingness as expressed in the Agreed Minute to meet to consider further debt relief in the future, subject to fulfillment by the debtor country of certain specified conditions.

Grace period and maturity--Paris Club Agreed Minutes specify the first and last payment dates, but do not refer to the length of the grace period or to the maturity. In this paper, grace periods and maturity on rescheduled current maturities are counted from the end of the consolidation period. In the case of the rescheduling of arrears and late interest on arrears, they are measured from the beginning of the consolidation period.

Improved goodwill clause--refers to a provision in the Agreed Minute whereby creditors agree to meet with the debtor country to consider a further rescheduling covering a specified future consolidation period, provided certain conditions are met. It represents a stronger degree of commitment on the part of creditors to a future rescheduling than the standard goodwill clause since it specifies at the outset some of the rescheduling terms and the exact length of the future consolidation period. As in the case of official MYRAs, a rescheduling agreement with an improved goodwill clause covers an extended consolidation period through the implementation of successive shorter consolidations (serial reschedulings). However, this type of agreement differs from a MYRA in that a further meeting is required to approve the subsequent consolidation period. Some of the rescheduling terms for the second stage are not determined at the outset and must be agreed between creditors and the debtor at the time of the second meeting. This contrasts with the semiautomatic implementation provided for in the case of official MYRAs (see below).

Initiative clause--the standard undertaking in the Agreed Minute that the debtor country will seek to restructure debts owed to other creditors on terms comparable to those outlined in the Agreed Minute. This clause appears as one of the general recommendations and reads:

In order to secure comparable treatment of public and private external creditors on their debts, the Delegation of [debtor country] stated that their Government will seek to secure from external creditors, including banks and suppliers, rescheduling or refinancing arrangements on terms comparable to those set forth in this Agreed Minute for credits of comparable maturity, making sure to avoid inequity between different categories of creditors.

Late interest--interest accrued on principal and interest in arrears.

Maturity--grace period plus repayment period.

Moratorium interest--see "bilateral agreements" above.

Most-favored-nation clause--the standard undertaking in the Agreed Minute whereby the debtor country agrees not to accord to creditor countries that did not participate in the multilateral agreement repayment terms more favorable than those accorded to the participating creditor countries for the consolidation of debts of comparable term.

Multiyear rescheduling agreement (MYRA)--MYRAs granted by official creditors cover consolidation periods of two or more years through the implementation of a succession of shorter consolidations (serial reschedulings) which come into effect automatically after certain conditions are satisfied. To this effect, the Agreed Minute includes a "conditional further rescheduling" provision which sets forth the terms of the rescheduling for payments that fall due in specified subsequent future periods, and the conditions for such a rescheduling to become effective without a further Paris Club meeting. The implementation of each stage requires only a decision by creditors that the relevant conditions have been met. The objective of a MYRA is to help rebuild normal debtor-creditor relations in cases of countries that have recorded significant domestic and external adjustment. Such agreements have, therefore, tapered the amount of debt relief over the sequential stages of the MYRA and excluded interest from the rescheduling. They have also specified monitoring provisions for the part of the consolidation where it was not necessarily foreseen that a Fund arrangement would be in place.

Serial rescheduling--see "multiyear rescheduling agreement" and "improved goodwill clause" above.

Special account--an account established under some Agreed Minutes by the debtor country with the central bank of one of the participating creditor countries into which monthly deposits of an agreed amount are made. The total amount to be deposited usually approximates the amounts

estimated to be payable to all participating creditors during the year; the debtor country draws on the account as bilateral implementing agreements are signed and specific payments under these agreements became due.

Table 3. Official Multilateral Debt Reschedulings, 1976-1987

--Creditor Countries Participating--

Country ^{1/}	Number of Reschedulings in which the Country Participated		
	1976-1982	1983-1987	Total
<u>Industrial countries</u>			
France	27	80	107
United States	25	77	102
United Kingdom	26	75	101
Germany, Federal Republic of	28	72	100
Italy	27	69	96
Belgium	23	56	79
Japan	20	57	77
Netherlands	21	53	74
Switzerland	19	54	73
Austria	13	57	70
Canada	17	52	69
Spain	10	58	68
Sweden	19	40	59
Norway	12	38	50
Denmark	8	22	30
Finland	5	14	19
Australia	2	2	4
New Zealand	0	2	2
Ireland	0	1	1
<u>Developing countries</u>			
Brazil	0	16	16
Israel	0	9	9
South Africa	1	6	7
Kuwait	0	4	4
Portugal	0	3	3
Mexico	0	2	2
Morocco	0	2	2
UAE	2	0	2
Argentina	0	1	1

Source: Agreed Minutes of debt reschedulings.

^{1/} Country classifications correspond to those used in the World Economic Outlook (WEO), IMF, April 1987.

Table 4. Official Multilateral Debt Rescheduling,
July 1986-December 1987

(Forum and Consolidation Period)

	Date of Agreed Minute	Forum	Number of Participating Creditors	Consolidation Period	
				From	To
<u>1986</u>					
Bolivia I	7/17/86	Paris Club	12	7/01/88	6/30/87
Congo I	7/18/86	Paris Club	10	8/01/86	3/31/88
Gambia, The I	9/19/86	Paris Club	7	10/01/86	9/30/87
Mexico II <u>1/ 2/</u>	9/17/86	Paris Club	14	9/22/86	12/31/87
				1/01/88	3/31/88
Tanzania I	9/18/86	Paris Club	16	10/01/86	9/30/87
Madagascar V <u>3/</u>	10/23/86	Paris Club	12	4/01/86	12/31/87
Sierra Leone IV	11/19/86	Paris Club	10	7/01/86	11/13/87
Niger IV	11/20/86	Paris Club	4	12/05/86	12/4/87
Senegal V	11/21/86	Paris Club	10	7/01/86	10/31/87
Nigeria I <u>1/</u>	12/16/86	Paris Club	19	10/01/86	12/31/87
<u>1987</u>					
Brazil II <u>4/</u>	1/21/87	Paris Club	14	1/01/85	12/31/86
				1/01/87	6/30/87
Gabon II	1/21/87	Paris Club	12	9/21/86	12/31/87
Philippines II <u>1/</u>	1/22/87	Paris Club	14	1/01/87	6/30/88
Jamaica III	3/05/87	Paris Club	9	1/01/87	3/31/88
Morocco III	3/06/87	Paris Club	11	3/01/87	6/30/88
Chile II	4/02/87	Paris Club	7	4/15/87	12/31/88
Zaire IX	5/18/87	Paris Club	13	4/01/87	5/14/88
Argentina II <u>1/</u>	5/20/87	Paris Club	14	5/01/87	6/30/88
Egypt I	5/22/87	Paris Club	18	1/01/87	6/30/88
Mauritania III	6/15/87	Paris Club	9	4/01/87	5/31/88
Mozambique II	6/16/87	Paris Club	14	6/01/87	12/31/88
Uganda III	6/19/87	Paris Club	5	7/01/87	6/30/88
Somalia II	7/22/87	Paris Club	6	1/01/87	12/31/88
Guinea-Bissau I	10/27/87	Paris Club	6	7/01/87	12/31/88
Poland IV <u>5/</u>	10/30/87	Paris Club	17	1/01/88	12/31/88
Senegal VI	11/17/87	Paris Club	7	11/1/87	10/31/88
Côte d'Ivoire IV <u>1/</u>	12/18/87	Paris Club	13	1/01/88	4/30/89

Source: Agreed Minutes of debt rescheduling.

1/ Approved in principle on date indicated.

2/ Includes two separate consolidation periods.

3/ In 1987 creditors extended the consolidation period through March 1988.

4/ Includes two separate consolidation periods; however, the second tranche covering the first six months of 1987 did not take effect. The first consolidation period covering a period of 24 months fully preceded the date of the agreement.

5/ Agreed Minute initialled on date indicated and signed on December 17, 1987.

Table 5. Official Multilateral Debt Reschedulings, July 1986-December 1987

—Types of Debt Covered—

(Yes, if covered, no, otherwise)

Country	Medium- and Long-Term Debt				Short-Term Debt 1/		Previously Rescheduled Debt 2/	Late Interest	Private Sector Debt
	Current maturities		Arrears		Arrears				
	Principal	Interest	Principal	Interest	Principal	Interest			
<u>1986</u>									
Bolivia I	Yes	Yes	Yes	Yes	No	No	...	Yes	No
Congo I	Yes	Yes	Yes	Yes	No	No	Yes 3/	No	No
Gambia, The I	Yes	Yes	Yes	Yes	Yes	Yes	...	No	Yes
Mexico II	Yes	Yes	No	No	No	No	No	No	No
Tanzania I	Yes	Yes	Yes	Yes	Yes	Yes	...	Yes	Yes
Madagascar V	Yes	Yes	No	No	No	No	Yes	No	Yes
Sierra Leone IV	Yes	Yes	Yes	Yes	No	No	Yes	Yes	Yes
Niger IV	Yes	No	No	No	No	No	No	No	No
Senegal V	Yes	Yes	No	No	No	No	No	No	No
Nigeria I	Yes	Yes	Yes	Yes	Yes	Yes	...	Yes	Yes 4/
<u>1987</u>									
Brazil II	Yes	No	Yes 5/	Yes 5/	No	No	No	Yes	Yes
Gabon II	Yes	Yes	No	No	No	No	No	No	No
Philippines II	Yes	Yes	No	No	No	No	No	No	No
Jamaica III	Yes	Yes	Yes	Yes	No	No	No	No	No
Morocco III	Yes	Yes	No	No	No	No	Yes	No	No
Chile II	Yes	No	No	No	No	No	No	No	No
Zaire IX	Yes	Yes	Yes	Yes	No	No	Yes	No	Yes
Argentina II	Yes	Yes	Yes	Yes	No	No	No	Yes	Yes
Egypt I	Yes	Yes	Yes	Yes	No	No	...	Yes	No
Mauritania III	Yes	Yes	No	No	No	No	No	No	Yes
Mozambique II	Yes	Yes	Yes	Yes	No	No	Yes	Yes	Yes
Uganda III	Yes	Yes	Yes	Yes	No	No	Yes	Yes	Yes
Somalia II	Yes	Yes	Yes	Yes	No	No	Yes	No	Yes
Guinea-Bissau I	Yes	No	Yes	Yes	No	No	...	No	Yes
Poland IV	Yes	Yes	Yes	Yes	No	No	Yes	Yes	Yes
Senegal VI	Yes	Yes	No	No	No	No	No	No	No
Côte d'Ivoire IV	Yes	Yes	Yes	Yes	No	No	Yes	Yes	No

Source: Agreed Minutes of debt reschedulings.

1/ In no case was there a rescheduling of current maturities on short-term debt.

2/ "...", if not applicable.

3/ Previously rescheduled debt in this case refers to debt previously rescheduled outside of multilateral fora with official creditors.

4/ Arrears only on private sector debt.

5/ Agreed Minute did not refer to arrears, although at the time of the rescheduling the 1985 and 1986 maturities were de facto in arrears.

Table 6. Official Multilateral Debt Rescheduling, July 1986-December 1987

(Special Provisions)

					Goodwill Clause 1/	
	Date of Agreed Minute	Bilateral Deadline	Special Account	Goodwill clause included	Written report on compara- bility of treatment required	Specific reference to no change in cutoff date

1986						
Bolivia I	7/17/86	3/31/87	Yes	Yes	Yes	Yes
Congo I	7/18/86	2/28/87	No	Yes	Yes	Yes
Gambia, The I	19/9/86	4/30/87	Yes	Yes	Yes	Yes
Mexico II	9/17/86	4/30/87	No	No	...	...
Tanzania I	9/18/86	4/30/87	Yes	Yes	Yes	Yes
Madagascar V	10/23/86	4/30/87	Yes	Yes	Yes	Yes
Sierre Leone IV	11/19/86	4/30/87	Yes	Yes	Yes	Yes
Niger IV	11/20/86	7/31/87	No	Yes	Yes	Yes
Senegal V	11/21/86	5/31/87	No	Yes	Yes	Yes
Nigeria I	12/16/86	6/30/87	Yes	Yes	Yes	Yes

1987						
Brazil II	1/21/87	7/31/87	No	No	...	...
Gabon II	1/21/87	7/31/87	No	Yes	Yes	Yes
Philippines II	1/22/87	9/30/87	No	No	...	...
Jamaica III	3/5/87	9/30/87	No	Yes	Yes	Yes
Morocco III	3/6/87	9/30/87	No	Yes	Yes	Yes
Chile II	4/2/87	10/31/87	No	No	...	...
Zaire IX	5/18/87	12/31/87	Yes	Yes	Yes	Yes
Argentina II	5/20/87	12/31/87	No	No	...	...
Egypt I	5/22/87	10/31/87	Yes	Yes	Yes	Yes
Mauritania III	6/15/87	2/29/88	No	Yes	Yes	Yes
Mozambique II	6/16/87	6/30/88	Yes	Yes	Yes	Yes
Uganda III	6/19/87	2/29/88	Yes	Yes	Yes	Yes
Somalia II	7/22/87	12/31/87	Yes	Yes	Yes	Yes
Guinea-Bissau I	10/27/87	3/31/88	Yes	Yes	Yes	Yes
Poland IV	10/30/87	5/31/88	No	No	...	...
Senegal VI	11/17/87	5/31/88	No	Yes	Yes	Yes
Côte d'Ivoire IV	12/18/87	5/31/88	No	Yes	Yes	Yes

Source: Agreed Minutes of debt rescheduling.

1/ "..." indicates not applicable.

Table 7. Official Multilateral Debt Reschedulings, July 1986-Dec. 1987

--Parallel Bank Rescheduling Agreements--

		Commercial Bank Rescheduling		
	Date of Official Multilateral Agreement	Relative importance of commercial bank debt <u>1/</u>	Date of parallel bank agreement	Date of prior bank agreement
<u>1986</u>				
Bolivia I	07/17/86	S	... <u>3/</u>	10/83 <u>4/</u>
Congo I	07/18/86	S	10/86 <u>5/</u> <u>6/</u>	...
Gambia, The I	09/19/86	S	...	...
Mexico II	09/17/86 <u>2/</u>	S	4/87 <u>5/</u>	8/85
Tanzania I	09/18/86	N	...	...
Madagascar V	10/23/86	S	...	12/85 <u>7/</u>
Sierra Leone IV	11/19/86	S	...	1/84
Niger IV	11/20/86	S	4/86	3/84
Senegal V	11/21/86	S	...	5/85
Nigeria I	12/16/86 <u>2/</u>	S	11/87 <u>5/</u>	9/83
<u>1987</u>				
Brazil II	01/21/87	S	7/86	1/84 <u>5/</u>
Gabon II	01/21/87	N	12/87	...
Philippines II	01/22/87 <u>2/</u>	S	12/87	5/85 <u>5/</u>
Jamaica III	03/05/87	S	5/87	9/85
Morocco III	03/06/87	S	12/86 <u>6/</u>	2/86
Chile II	04/02/87	S	6/87	11/86 <u>5/</u>
Zaire IX	05/18/87	S	5/87 <u>4/</u>	5/86 <u>4/</u>
Argentina II	05/20/87 <u>2/</u>	S	8/87 <u>5/</u>	8/85 <u>5/</u>
Egypt I	05/22/87	N	...	...
Mauritania III	06/15/87	N	...	...
Mozambique II	06/16/87	N	5/87 <u>6/</u>	...
Uganda III	06/19/87	N	...	...
Somalia II	07/22/87	N	...	...
Guinea-Bissau I	10/27/87	N	...	...
Poland IV	10/30/87 <u>2/</u>	S	8/87 <u>6/</u>	9/86 <u>5/</u>
Senegal VI	11/17/87	N	...	5/85
Côte d'Ivoire IV	12/18/87 <u>2/</u>	S	... <u>3/</u>	12/86

Sources: Restructuring agreements; and Fund staff.

1/ N = not significant; S = significant. For purposes of this paper, debt to commercial banks is not significant if it represents less than 10 percent of total nonmultilateral external debt of the debtor country.

2/ Approved in principle on date indicated.

3/ Under discussion.

4/ Deferment agreement.

5/ The restructuring agreement includes new financing.

6/ Agreed in principle or tentative agreement with Bank's Steering Committee.

7/ Rephasing of previous agreement.

Table 8. Official Multilateral Debt Reschedulings, 1976-1987

(Cumulative consolidation period)

Country	Consolidation Periods for Current Maturities Under Successive Agreements (Agreement)									Cumula- tive Number of Months <u>1/</u>	Number of Agree- ments
	I	II	III	IV	V	VI	VII	VIII	IX		
	(months)										
Bolivia	12									12	1
Gambia, The	12									12	1
Tanzania	12									12	1
Guinea	14									14	1
Dominican Republic	15									15	1
Nigeria	15									15	1
Panama	16									16	1
Egypt	18									18	1
Equatorial Guinea	18									18	1
Guinea-Bissau	18									18	1
Congo	20									20	1
Gabon <u>2/</u>	--	15								15	2
Malawi	12	12								24	2
Mexico	6	18								24	2
Romania	12	12								24	2
Argentina	12	14								26	2
Mozambique	12	19								31	2
Costa Rica	18	15								33	2
Philippines	18	18								36	2
Somalia	12	24								36	2
Chile	18	21								39	2
Brazil	17	24 <u>3/</u>								41	2
Ecuador	12	36								48	2
Uganda	12	12	12							36	3
Zambia	12	12	12							36	3
Peru	12	12	15							39	3
Mauritania	15	12	14							41	3
Central African Republic	12	12	18							42	3
Jamaica	15	12	15							42	3
Morocco	16	18	16							50	3
Yugoslavia	12	17	23 <u>4/</u>							52	3
Turkey	13	12	36							61	3
Niger	12	14	12	12						50	4
Sierra Leone	12	16	12	16						56	4
Liberia	18	18	12	12						60	4
Sudan	21	18	12	12						63	4
Côte d'Ivoire	13	12	36	16 <u>5/</u>						65	4
Poland	8	36	12	12						68	4
Togo	21	24	12	16	12					85	5
Madagascar	18	12	18	15	24 <u>6/</u>					87	5
Senegal	12	12	12	18	16	12				82	6
Zaire	18	12 <u>5/</u>	6 <u>5/</u>	18	12	12	15	12	13	100	9

Source: Agreed Minutes of debt reschedulings.

1/ Excludes that portion of any consolidation period which overlaps with the consolidation period of prior agreements.

2/ Gabon I rescheduling involved only arrears.

3/ Agreed Minute did not refer to arrears, although at the time of the rescheduling maturities related to 1985 and 1986 (a 24-month period) were de facto in arrears. A conditional further 6-months consolidation did not become effective.

4/ The 23-months consolidation period was made up of an initial 12-month portion and a conditional further 11-month consolidation which required a further meeting to determine the proportion of principal to be rescheduled.

5/ Consolidation period overlaps with the consolidation period of previous agreements.

6/ Includes the 3-month extension agreed by creditors in 1987, extending the coverage to the end of the stand-by arrangement period.

Table 9. Official Multilateral Debt Renegotiations, 1976-1987

--Debt Relief Extended in Successive Reschedulings--

Country	Amounts Under Successive Agreements (In millions of U.S. dollars)									Total <u>1/</u>	Number of Agree- ments
	(Agreement)										
	I	II	III	IV	V	VI	VII	VIII	IX		
Bolivia	449									449	1
Gambia, The	17									17	1
Tanzania	1,046									1,046	1
Guinea	196									196	1
Dominican Republic	290									290	1
Nigeria	6,251									6,251	1
Panama	19									19	1
Egypt	5,586									5,586	1
Equatorial Guinea	38									38	1
Guinea-Bissau	25									25	1
Congo	756									756	1
Philippines	757	862								1,619	2
Gabon	63	387								450	2
Malawi	25	26								51	2
Mexico	1,199	1,912								3,111	2
Romania	234	736								970	2
Argentina	2,040	1,260								3,300	2
Mozambique	283	361								644	2
Costa Rica	136	166								302	2
Somalia	127	153								280	2
Chile	146	157								303	2
Brazil	2,337	3,615 <u>2/</u>								5,952	2
Ecuador	142	412								554	2
Uganda	30	19	170							219	3
Zambia	375	253	371							999	3
Peru	420	466	704							1,590	3
Mauritania	74	27	90							191	3
Central African Republic	72	13	14							99	3
Jamaica	105	62	124							291	3
Morocco	1,152	1,124	1,008							3,284	3
Yugoslavia	500	812	901 <u>3/</u>							2,213	3
Turkey	1,300	1,200	3,000							5,500	3
Côte d'Ivoire	230	213	370	567						1,380	4
Poland	2,110	10,930	1,400	9,027						23,467	4
Niger	36	26	38	34						134	4
Sierra Leone	39	37	25	86						187	4
Liberia	35	25	17	17						94	4
Sudan	487	203	518	249						1,457	4
Togo	260	232	300	75	27					894	5
Madagascar	140	107	89	128	212					676	5
Senegal	75	74	72	122	65	79				487	6
Zaire	270	170	40	1,040	500	1,497	408	429	671	5,025	9
Total	29,872	26,040	9,251	11,345	804	1,576	408	429	671	80,396	111

Source: Fund staff calculations.

1/ Includes significant double-counting in cases where PRD has been rescheduled.

2/ Excludes the conditional rescheduling for the first half of 1987 which did not become effective.

3/ Combined amounts for the two tranches under the 1986 Agreed Minute.

Table 10. Official Multilateral Debt Reschedulings, 1976-December 1987

—Previously Rescheduled Debt (PRD)—

	Number of Agreements Involving Two or More Reschedulings Since 1975	Consolidations Involving PRD	
		Agreements	Portion of debt service falling due on PRD included in the consolidation
1976-82	13	Turkey III, 1980	All
1983-84	17	Sudan III, 1983	All
		Togo III, 1983	All
		Zaire VI, 1983	All
		Sierra Leone III, 1984	All
		Madagascar III, 1984	All
		Sudan IV, 1984	Practically all: only excludes one half of interest on debt rescheduled in 1983.
		Togo IV, 1984	Part: excludes maturities on debt rescheduled in 1981 and 1983.
		Zambia II, 1984	All
1985 to June 1986 ^{1/}	18	Madagascar IV, 1985	Part: excludes maturities on debt rescheduled in 1984.
		Zaire VII, 1985	Part: excludes maturities on debt rescheduled in 1983.
		C.A.R. III, 1985	Part: excludes maturities on debt rescheduled in 1983.
		Zambia III, 1986	All
		Zaire VIII, 1986	Part: excludes maturities on debt rescheduled in 1985 and some of the maturities on debt rescheduled in 1983.
July 1986 to Dec. 1987 ^{1/}	20	Madagascar V, 1986	Part: excludes maturities on debt rescheduled in 1984 and 1985.
		Sierra Leone IV, 1986	Part: excludes maturities on debt rescheduled in 1977.
		Morocco III, 1987	Part: excludes half of the maturi- ties on debt rescheduled in 1983.
		Zaire IX, 1987	Part: excludes maturities on debt rescheduled in 1986.
		Mozambique III, 1987	All
		Uganda III, 1987	All
		Somalia II, 1987	All
		Poland IV, 1987	Practically all: only excludes 50 percent of arrears on debt rescheduled in 1981.
		Côte d'Ivoire IV	Practically all: only excludes 5 percent of interest

Source: Agreed Minutes of debt reschedulings.

^{1/} Excludes the reschedulings with Guinea (April 1986) and Congo (July 1986), which covered debt previously rescheduled outside multilateral forums with official creditors.

Table 11. Official Multilateral Debt Reschedulings, July 1986-December 1987

--Cutoff Date--

Debtor Country	Cutoff Date	Date of agreement	Number of Months Prior to Beginning of consolidation period	Change in Cutoff Date ^{1/}
<u>1986</u>				
Bolivia I	12/31/85	7	6	...
Congo I	1/1/86	7	0	...
Gambia, The I	7/1/86	3	3	...
Mexico II ^{2/3/}	12/31/85	9	9	... ^{2/}
Tanzania I	6/30/86	3	3	...
Madagascar V	7/1/83	40	33	No
Sierra Leone IV	7/1/83	41	36	No
Niger IV	7/1/83	41	41	No
Senegal V	1/1/83	47	42	No
Nigeria I	10/1/85	14	12	...
<u>1987</u>				
Brazil II ^{3/4/}	3/31/83	46	21	No
Gabon II	7/1/86	7	3	No
Philippines II	4/1/84	34	33	No
Jamaica III	10/1/83	41	39	No
Morocco III	5/1/83	46	46	No
Chile II	1/1/85	27	27	No
Zaire IX	6/30/83	46	45	No
Argentina II	12/1/83	42	41	No
Egypt I	10/31/86	7	2	...
Mauritania III	12/31/84	29	27	No
Mozambique II	2/1/84	40	40	No
Uganda III	7/1/81	71	72	No
Somalia II	10/1/84	34	27	No
Guinea-Bissau I	12/31/86	10	6	...
Poland IV	1/1/84	46	48	No
Senegal VI	1/1/83	59	58	No
Côte d'Ivoire IV	7/1/83	55	55	No

Source: Agreed Minute of debt reschedulings.

^{1/} Not applicable (...) if no rescheduling since 1975.^{2/} Under the previous consolidation dated 6/22/83 the cutoff date was December 1982; however, as this consolidation only applied to debt of the Mexican private sector, and as the 1986 consolidation only had applied to debts of the Mexican public sector, effectively there was no change in the cutoff date.^{3/} Included two consecutive consolidation periods; measurement to beginning of first consolidation period.^{4/} The first consolidation period covering a period of 24 months fully preceded the date of the agreement.

Table 12. Official Multilateral Debt Reschedulings, 1976-1987

—Average Repayment Terms for Current Maturities—

	Number of Agree- ments	Down- payment (percent)	Postponement of Unconsolidated Maturities			Formally Rescheduled Portion		
			Proportion of total repayments (percent)	Average grace period (months)	Average maturity (months)	Proportion of total repayments (percent)	Average grace period (years)	Average maturity (years)
1976	1	—	15.0	12.0	24.0	85.0	1.0	7.5
1977	3	11.3	6.3	6.0	30.0	82.5	2.3	8.6
1978	3	35.0	2.5	3.0	3.0	62.5	2.0	6.5
1979	4	10.6	4.4	4.0	16.0	85.0	3.1	8.6
1980	3	1.7	8.3	4.0	36.0	90.0	4.0	8.8
1981	8	6.1	5.8	10.0	31.0	88.1	4.0	8.6
1982	6	6.2	8.0	10.8	30.0	85.8	3.9	8.1
1983	16	10.9	7.2	9.0	23.6	81.9	4.1	8.6
1984	13	10.7	4.3	8.1	27.0	85.0	4.8	9.6
1985	21	8.5	4.4	6.4	32.0	87.1	4.3	9.1
1986	16	4.3	0.7	8.0	20.0	95.0	4.5	9.2
1987	17	1.9	0.9	4.5	22.5	97.2	5.6	11.8
<u>Averages</u>								
1976-87		8.9	5.7	7.2	24.6	85.4	3.6	8.8
Of which:								
1976-82		10.1	7.2	7.1	24.3	82.7	2.9	8.1
1983-85		10.0	5.3	7.8	27.5	84.7	4.4	9.1
1986-87		3.1	0.8	6.3	21.3	96.1	5.1	10.5

Source: Agreed Minutes of debt reschedulings.

1/ Medium- and long-term debt only. Excludes debt service not covered by the rescheduling agreement. All reschedulings carry equal weight in their relevant periods. Grace period and maturity measured from end of consolidation period.

Table 13. Official Multilateral Debt Reschedulings, 1976-1987

—Average Repayment Terms for Current Principal—

	Number of Agreements	Down-payment (percent)	Postponement of Unconsolidated Maturities			Formally Rescheduled Portion		
			Proportion of total repayments (percent)	Average grace period (months)	Average maturity (months)	Proportion of total repayments (percent)	Average grace period (years)	Average maturity (years)
1976	1	—	15.0	12.0	24.0	85.0	1.0	7.5
1977	3	10.0	7.5	12.0	36.0	82.5	2.3	8.5
1978	3	12.5	2.5	3.0	3.0	85.0	2.0	6.5
1979	4	10.6	4.4	4.0	16.0	85.0	3.1	8.6
1980	3	1.7	8.3	4.0	36.0	90.0	4.0	8.8
1981	8	6.1	5.8	10.0	31.0	88.1	4.0	8.6
1982	6	6.2	8.0	10.8	30.0	85.8	3.9	8.1
1983	16	5.6	6.9	9.0	23.6	87.5	4.1	8.6
1984	13	1.7	2.5	9.0	29.0	95.8	4.8	9.6
1985	21	5.9	3.7	6.4	32.0	90.5	4.3	9.1
1986	16	3.1	0.7	8.0	20.0	96.3	4.5	9.2
1987	17	0.6	0.6	3.0	3.0	98.8	5.6	11.9
<u>Averages</u>								
1976-87		5.3	5.5	7.6	23.6	89.2	3.6	8.8
Of which:								
1976-82		6.7	7.4	8.0	25.1	85.9	2.9	8.1
1983-85		3.7	4.7	9.0	26.3	91.7	4.5	9.1
1986-87		1.9	0.7	5.5	11.5	97.6	5.1	10.6

Source: Agreed Minutes of debt reschedulings.

1/ Reschedulings terms for principal payments on medium- and long-term debt only. Excludes debt service not covered by the rescheduling agreement. All reschedulings carry equal weight in their relevant periods. Grace period and maturity measured from end of consolidation period.

Table 14. Official Multilateral Debt Reschedulings, 1976-1987

—Average Repayment Terms for Current Interest—

	Number of Agree- ments	Down- payment (percent)	Postponement of Unconsolidated Maturities			Formally Rescheduled Portion		
			Proportion of total repayments (percent)	Average grace period (months)	Average maturity (months)	Proportion of total repayments (percent)	Average grace period (years)	Average maturity (years)
1976	1	—	—	—	—	—	—	—
1977	3	12.5	5.0	—	24.0	82.5	2.3	8.8
1978	3	15.0	5.0	3.0	3.0	80.0	2.0	6.5
1979	4	10.6	4.4	4.0	16.0	85.0	3.1	8.6
1980	3	1.7	8.3	4.0	36.0	90.0	4.0	8.8
1981	8	6.1	5.8	10.0	31.0	88.1	4.0	8.6
1982	6	6.2	8.0	10.8	30.0	85.8	3.9	8.1
1983	16	4.3	8.6	8.8	24.5	87.1	4.2	9.0
1984	13	12.9	6.6	8.1	27.0	80.4	4.8	9.9
1985	21	7.2	6.3	6.4	32.0	86.5	4.5	9.3
1986	16	3.4	0.8	8.0	20.0	95.8	4.6	9.3
1987	17	3.7	0.7	6.0	42.0	95.7	5.9	12.5
<u>Averages</u>								
1976-87		7.6	5.4	6.9	26.0	87.0	3.9	9.0
Of which:								
1976-82		8.7	6.1	6.4	23.3	85.2	3.2	8.2
1983-85		8.1	7.2	7.8	27.8	84.7	4.5	9.4
1986-87		3.6	0.8	7.0	31.0	95.8	5.3	10.9

Source: Agreed Minutes of debt reschedulings.

1/ Reschedulings terms for interest payments on medium- and long-term debt only. Excludes debt service not covered by the rescheduling agreement. All reschedulings carry equal weight in their relevant periods. Grace period and maturity measured from end of consolidation period.

Table 15. Official Multilateral Debt Reschedulings, July 1986-December 1987

—Repayment Terms: Current Maturities— 1/

	Postponement of Unconsolidated Portion				Formally Rescheduled Portion		
	Down- Payment (Percent)	Proportion in total (Percent)	Grace period <u>2/</u> (Months)	Maturity <u>2/</u> (Months)	Proportion in total (Percent)	Grace Period <u>2/</u> (Years)	Maturity <u>2/</u> (Years)
<u>1986</u>							
Bolivia I	—	—	—	—	100.0	5	9 6/12
Congo I	—	5.0	0	24	95.0	3 8/12	9 2/12
Mexico II							
a) 9/86-12/87 maturities							
Principal	—	—	—	—	100.0	4	8 6/12
Interest	40.0	—	—	—	60.0	4	8 6/12
b) 1/88-3/88 maturities <u>3/</u>	—	—	—	—	100.0	3 9/12	8 3/12
Tanzania I	—	—	—	—	100.0	5	9 6/12
Gambia, The I	—	—	—	—	100.0	5	9 6/12
Madagascar V	—	—	—	—	100.0	4 7/12	9 1/12
Sierra Leone IV	—	—	—	—	100.0	4 9/12	9 3/12
Niger IV <u>3/</u>	—	—	—	—	100.0	5	9 6/12
Senegal V	—	—	—	—	100.0	4 10/12	9 5/12
Nigeria I	—	—	—	—	100.0	4 11/12	9 5/12
<u>1987</u>							
Brazil II <u>3/</u>	—	—	—	—	100.0	3	5 6/12
Gabon II							
a) Principal	—	—	—	—	100.0	3 11/12	9 5/12
b) Interest	—	10.0	6	42	90.0	3 11/12	9 5/12
Philippines II							
a) Principal	—	—	—	—	100.0	4 9/12	9 3/12
b) Interest	30.0	—	—	—	70.0	4 9/12	9 3/12
Jamaica III							
a) Principal	—	—	—	—	100.0	4 11/12	9 5/12
b) Interest	15.0	—	—	—	85.0	4 11/12	9 5/12
Morocco III	—	—	—	—	100.0	4 9/12	9 3/12
Chile II <u>3/</u>	5.0	10.0	3	3	85.0	2 8/12	6 2/12
Zaire IX	—	—	—	—	100.0	6	14 6/12
Argentina II	—	—	—	—	100.0	4 11/12	9 6/12
Egypt I	—	—	—	—	100.0	4 9/12	9 3/12
Mauritania III	5.0	—	—	—	95.0	4 11/12	14 5/12
Mozambique II	—	—	—	—	100.0	9 9/12	19 4/12
Uganda III	—	—	—	—	100.0	6	14 6/12
Somalia II	—	—	—	—	100.0	9 6/12	19
Guinea-Bissau I <u>3/</u>	—	—	—	—	100.0	9 9/12	19 3/12
Poland IV	—	—	—	—	100.0	4 6/12	9
Senegal VI	—	—	—	—	100.0	6	15 6/12
Côte d'Ivoire IV							
a) Principal	—	—	—	—	100.0	5 10/12	9 4/12
b) Interest	5.0	—	—	—	95.0	5 10/12	9 4/12

Source: Agreed Minutes of debt reschedulings.

1/ Excludes debt service not covered by the rescheduling agreement.2/ For purposes of this paper, grace periods and maturity on rescheduled amounts of current maturities are measured from the end of the consolidation period.3/ Principal only.

Table 16. Official Multilateral Debt Reschedulings, July 1986-December 1987

--Repayment Terms: Previously Rescheduled Debt-- 1/

	Down- payment (percent)	Postponement of Unconsolidated Portion			Formally Rescheduled Portion		
		Proportion in total (percent)	Grace period 2/ (months)	Maturity 2/ (months)	Proportion in total (percent)	Grace period 2/ (years)	Maturity 2/ (years)
<u>1986</u>							
Bolivia I	--	--	--	--	--	--	--
Congo I	--	5	0	24	95	3 8/12	9 2/12
Mexico II	--	--	--	--	--	--	--
Tanzania I	--	--	--	--	--	--	--
Gambia, The I	--	--	--	--	--	--	--
Madagascar V	--	--	--	--	100	4 7/12	9 1/12
Sierra Leone IV	--	--	--	--	100	4 9/12	8 3/12
Niger IV	--	--	--	--	--	--	--
Senegal V	--	--	--	--	--	--	--
Nigeria I	--	--	--	--	--	--	--
<u>1987</u>							
Brazil II	--	--	--	--	--	--	--
Gabon II	--	--	--	--	--	--	--
Philippines II	--	--	--	--	--	--	--
Jamaica III	--	--	--	--	--	--	--
Morocco III	--	--	--	--	--	--	--
a. Consolidation of '85	--	--	--	--	100	1 6/12	5
b. Consolidation of '83	50	--	--	--	50	1 6/12	5
Chile II	--	--	--	--	--	--	--
Zaire IX	--	--	--	--	100	6	14 6/12
Argentina II	--	--	--	--	--	--	--
Egypt I	--	--	--	--	--	--	--
Mauritania III	--	--	--	--	--	--	--
Mozambique II	--	--	--	--	100	9 9/12	19 4/12
Uganda III	--	--	--	--	100	6	14 6/12
Somalia II	--	--	--	--	100	4 6/12	9
Guinea-Bissau I	--	--	--	--	--	--	--
Poland IV	--	--	--	--	100.0	4 6/12	9
Senegal VI	--	--	--	--	--	--	--
Côte d'Ivoire IV	--	--	--	--	--	--	--
a) Principal	--	--	--	--	100.0	5 10/12	9 4/12
b) Interest	5.0	--	--	--	95.0	5 10/12	9 4/12

Source: Agreed Minutes of debt reschedulings.

1/ Excludes debt service not covered by the rescheduling agreement; PRD in arrears is covered in Table 17.

2/ For purposes of this paper, grace period and maturity on rescheduled amounts of current maturities are measured from the end of the consolidation period. In the case of arrears, grace and maturity are measured from the beginning of the consolidation period.

Table 17. Official Multilateral Debt Reschedulings, July 1986-December 1987

--Repayment Terms: Arrears-- 1/

	Down- payment (percent)	Postponement of Unconsolidated Portion			Formally Rescheduled Portion		
		Proportion in total (percent)	Grace period <u>2/</u> (months)	Maturity <u>2/</u> (months)	Proportion in total (percent)	Grace period <u>2/</u> (years)	Maturity <u>2/</u> (years)
1986							
Bolivia I	--	--	--	--	100.0	4	9 6/12
Congo I	--	10.0	0	24	90.0	4	8 6/12
Mexico II	--	--	--	--	--	--	--
Tanzania I <u>3/</u>	2.5	--	--	--	97.5	6	10 6/12
Gambia, The I	--	--	--	--	100.0	5	9 6/12
Madagascar V	--	--	--	--	--	--	--
Sierra Leone IV	--	--	--	--	100.0	6 2/12	9 8/12
Niger IV	--	--	--	--	--	--	--
Senegal V	--	--	--	--	--	--	--
Nigeria I <u>3/</u>	--	--	--	--	--	--	--
a. at 9/30/86 (MLT debt)	--	--	--	--	100.0	6 2/12	10 8/12
b. at 12/31/83 (ST debt)	--	--	--	--	100.0	6	11 7/12
c. at 9/30/86 (ST debt) <u>4/</u>	10.0	--	--	--	90.0	1 3/12	3 9/12
1987							
Brazil II <u>5/</u>	--	--	--	--	100.0	3	5 6/12
Gabon II	--	--	--	--	--	--	--
Philippines II	--	--	--	--	--	--	--
Jamaica III	--	--	--	--	--	--	--
(a) Principal	--	--	--	--	100.0	2 6/12	6
(b) Interest	15.0	--	--	--	85.0	2 6/12	6
Morocco III	--	--	--	--	--	--	--
Chile II	--	--	--	--	--	--	--
Zaire IX	--	--	--	--	100.0	7 1/12	15 7/12
Argentina II	--	--	--	--	100.0	6 1/12	10 8/12
Egypt I	--	--	--	--	100.0	5	9 6/12
Mauritania III	--	--	--	--	--	--	--
Mozambique II	--	--	--	--	100.0	10	19 6/12
Uganda III	--	--	--	--	100.0	6	14 6/12
Somalia II	--	--	--	--	--	--	--
(a) On PRD	--	--	--	--	100.0	5	9 6/12
(b) Other	--	--	--	--	100.0	10	19 6/12
Guinea-Bissau I	--	--	--	--	100.0	10	19 6/12
Poland IV	--	--	--	--	--	--	--
(a) On PRD of 4/27/81	50.0	--	--	--	50.0	5 6/12	10
(b) Other <u>6/</u>	--	--	--	--	100.0	5 6/12	10
Senegal VI	--	--	--	--	--	--	--
Côte d'Ivoire IV	--	--	--	--	--	--	--
(a) Principal	--	--	--	--	100.0	7 2/12	10 8/12
(b) Interest	5.0	--	--	--	95.0	7 2/12	10 8/12

Sources: Agreed Minutes of debt reschedulings.

1/ Excludes debt service not covered by the rescheduling agreement.2/ For purposes of this paper, grace period and maturity on rescheduled amounts of arrears are measured from the beginning of the consolidation period.3/ Includes arrears on short-term debt.4/ On principal only.5/ Agreed Minute did not refer to arrears, although at the time of the rescheduling 1985-86 debt service was de facto in arrears.6/ Includes arrears on previously rescheduled debt of the consolidations of 7/15/85 and 11/19/85.

(In percent of total payments subject to rescheduling)

[illegible]

Table 18 (Concluded). Official Multilateral Debt Reschedulings, July 1986-December 1987

—Repayment Schedule of Amounts Restructured—

(In percent of total payments subject to rescheduling)

	Years Following Agreement Date 1/																					
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22
1987																						
Chile																						
Current principal	5.00	10.00		10.61	21.26	21.26	21.26	10.61														
Zaire																						
Arrears							11.11	11.11	11.11	11.11	11.11	11.11	11.11	11.11	11.11							
Current debt service							11.11	11.11	11.11	11.11	11.11	11.11	11.11	11.11	11.11							
Previously rescheduled debt							11.11	11.11	11.11	11.11	11.11	11.11	11.11	11.11	11.11							
Argentina																						
Arrears						20.00	20.00	20.00	20.00	20.00												
Current debt service						20.00	20.00	20.00	20.00	20.00												
Egypt																						
Arrears					20.00	20.00	20.00	20.00	20.00													
Current debt service					20.00	20.00	20.00	20.00	20.00													
Mauritania																						
Current debt service	5.00					9.50	9.50	9.50	9.50	9.50	9.50	9.50	9.50	9.50	9.50							
Mozambique																						
Arrears									5.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	5.00	
Current debt service									5.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	5.00
Previously rescheduled debt									5.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	5.00
Uganda																						
Arrears							11.11	11.11	11.11	11.11	11.11	11.11	11.11	11.11	11.11							
Current debt service							11.11	11.11	11.11	11.11	11.11	11.11	11.11	11.11	11.11							
Previously rescheduled debt							11.11	11.11	11.11	11.11	11.11	11.11	11.11	11.11	11.11							
Somalia																						
Arrears on PRD			10.00	20.00	20.00	20.00	20.00	10.00														
Arrears on other									10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00		
Current debt service									10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	
Previously rescheduled debt						20.00	20.00	20.00	20.00	20.00												
Guinea-Bissau																						
Arrears									5.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	5.00	
Current debt service									5.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	5.00
Poland																						
Arrears on '81 PRD	50.00				5.00	10.00	10.00	10.00	10.00	5.00												
Arrears on other					10.00	20.00	20.00	20.00	20.00	10.00												
Current debt service					10.00	20.00	20.00	20.00	20.00	10.00												
Previously rescheduled debt					10.00	20.00	20.00	20.00	20.00	10.00												
Senegal																						
Current debt service					5.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	5.00					
Côte d'Ivoire																						
Arrears																						
Principal								12.50	25.00	25.00	25.00	12.50										
Interest	5.00							11.88	23.75	23.75	23.75	11.88										
Current debt service																						
Principal								12.50	25.00	25.00	25.00	12.50										
Interest	5.00							11.88	23.75	23.75	23.75	11.88										
Previously rescheduled debt																						
Principal								12.50	25.00	25.00	25.00	12.50										
Interest	5.00							11.88	23.75	23.75	23.75	11.88										

Source: Agreed Minutes of debt reschedulings.

1/ Payments due in subsequent 12-month periods after the agreement date of the rescheduling. Because grace and maturity periods in this paper are counted from the end of the consolidation period for current maturities and from the beginning of the consolidation period for arrears, they cannot be derived directly from this table.

2/ Included three different repayment schedules for the different types of arrears covered (see Table 15).

3/ Agreed Minute did not refer to arrears, although at the time of the rescheduling 1985 and 1986 maturities were de facto in arrears.

Table 19. Argentina: Date of Agreed Minute: May 20, 1987 1/

Chairmanship—Paris Club

Type of debt covered	Scope of Debt Relief		Proportion of maturities covered and repayment schedule (In percent)	Repayment Terms 2/	
	Consolidation period	Estimated or actual amount consolidated (US\$ million)		Grace period (Years)	Maturity = grace + repayment periods (Years)
a. Unpaid principal and interest due on official and officially guaranteed debts having an original maturity of more than one year, pursuant to a contract or other financial arrangement concluded before 12/10/83	a. 5/01/87-6/30/88	1,260 3/	a. 100 (of principal and interest)—in 10 equal semiannual payments starting 5/15/93 and ending 11/15/97	4 11/12	9 6/12
	b. Arrears as at 4/30/87				
	c. Late interest accrued as at 4/30/87		b. 100 (of principal and interest)—in 10 equal semiannual payments starting 5/15/93 and ending 11/15/97	6 1/12	10 8/12
b. Arrears on debts mentioned in a. above			c. 100 (of late interest)—in 4 equal semiannual payments starting 7/31/89 and ending 1/31/91	2 3/12	3 9/12
c. Late interest on debts mentioned in a. above					
Excludes debt service due as a result of the previous consolidation dated 1/16/85					
Excludes the official bridge loan agreed to in March 1987					

Undertakings in Agreed Minute						
Local currency counterpart	Deposit in special account	Bilateral deadline	Implementation of Agreed Minute		Period of Stand-By Arrangement	Other Comments
			Conditions for application of the provisions of the Agreed Minute	Conditions for a meeting to discuss future debt service obligations (goodwill clause)		
Yes	No	12/31/87	- Continued upper credit tranche Fund arrangement	Did not include a goodwill clause	7/23/87-9/30/88	None

1/ The provisions of this Agreed Minute became effective pari passu with the Fund stand-by arrangement on July 23, 1987; the latter was approved in principle on February 18, 1987.

2/ For purposes of this paper, grace period and maturity on rescheduled amounts of current maturities are defined to begin at the end of the consolidation period. In the case of arrears and late interest, they are measured from the beginning of the consolidation period.

3/ Does not include the rescheduling of debt service obligations of Gasoducto Centro Oeste (COGASCO) estimated to be about US\$600 million.

Table 20. Bolivia: Date of Agreed Minute: July 17, 1986 ^{1/}

Chairmanship—Paris Club

Type of debt covered	Scope of Debt Relief		Estimated or actual amount consolidated (US\$ million)	Proportion of maturities covered and repayment schedule (In percent)	Repayment Terms ^{1/}	
	Consolidation period				Grace period (Years)	Maturity = grace + repayment periods (Years)
a. Unpaid principal and interest due on official and officially guaranteed debts having an original maturity of more than one year and which were extended to or guaranteed by the Government of Bolivia or the Bolivian public sector pursuant to a contract or other financial arrangement concluded before 12/31/85	a., b. 7/1/86-6/30/87 c. arrears and late interest as at 6/30/86		449	a., b. 100 (of principal and interest)—in 10 equal semi-annual payments starting 6/30/92 and ending 12/31/96 c. 100 (of principal and interest)—in 12 equal semiannual payments starting 6/30/90 and ending 12/31/95	5 4	9 1/2 9 1/2
b. Includes principal and interest due under previous bilateral consolidations						
c. Arrears and late interest on debts mentioned in a. and b. above						

Undertakings in Agreed Minute						
Local currency counterpart	Deposit in special account	Bilateral deadline	Implementation of Agreed Minute		Period of Stand-By Arrangement	Other Comments
			Conditions for application of the provisions of the Agreed Minute	Conditions for a meeting to discuss future debt service obligations (goodwill clause)		
Yes	Yes	3/31/87	- Continued upper credit tranche Fund arrangement	- Continued upper credit tranche Fund arrangement - Effective arrangements with banks and other creditors meeting the conditions of the MFN and initiative clauses - To report in writing on the contents of the bilateral agreements reached with creditors not participating in the Paris Club - Compliance with all conditions of this Agreed Minute	6/19/86-6/18/87	- Specific reference to an unchanged cutoff date in the event of a future rescheduling

^{1/} Agreed Minute was first initialed on June 25, 1986 and finalized on the date indicated because of an outstanding question related to a previous bilateral rescheduling.

^{2/} For purposes of this paper, grace period and maturity on rescheduled amounts of current maturities are defined to begin at the end of the consolidation period. In the case of arrears and late interest, they are measured from the beginning of the consolidation period.

Table 21. Brazil: Date of Agreed Minute: January 21, 1987

Chairmanship—Paris Club

Type of debt covered	Scope of Debt Relief		Proportion of maturities covered and repayment schedule (In percent)	Repayment Terms 1/	
	Consolidation period	Estimated or actual amount consolidated (US\$ million)		Grace period (Years)	Maturity - grace + repayment periods (Years)
a. Unpaid principal due on official and officially guaranteed debts having an original maturity of more than one year, pursuant to a contract or other financial arrangement concluded before 3/31/83	a. 1/01/87-6/30/87	a. 563 2/ b, c. 3,615	a. 100 (of principal)—if certain conditions were met, in 6 equal semiannual payments starting 7/01/90 and ending 1/01/93; otherwise, in 3 equal payments on July 31, September 30, and December 31, 1987	3	5 1/2
b. Unpaid principal and interest due on debts mentioned in a. above during the period 1/01/85-12/31/86 3/	b. 1/01/85-12/31/86		b. 100 (of principal and interest)—in 6 equal semiannual payments starting 1/01/90 and ending 7/01/92	3	5 1/2
c. Late interest on debts mentioned in a. above	c. Late interest accrued and not paid during 1/01/85-12/31/86		c. to be paid in 3 equal semiannual payments starting 6/30/88 and ending 6/30/89	1 1/2	2 1/2
Excludes debt service due as a result of the previous consolidation dated 11/23/83					

Undertakings in Agreed Minute						
Local currency counterpart	Deposit in special account	Bilateral deadline	Implementation of Agreed Minute		Period of Stand-By Arrangement	Other Comments
			Conditions for application of the provisions of the Agreed Minute	Conditions for a meeting to discuss future debt service obligations (goodwill clause)		
Yes	No	7/31/87	- The consolidation of maturities due during the first half of 1987 was conditioned on (a) Brazil receiving a positive appraisal by the Fund's Executive Board on the conclusion of its 1987 Article IV Consultation, (b) confirmation that arrangements with other creditors including banks to secure the orderly financing of the 1987 balance of payments have been completed by July 15, 1987, and (c) that Brazil resumed full debt service to official creditors as from July 1, 1987	- Did not include a goodwill clause	Not applicable	In September 1987, after an extension of the time limit, Paris Club creditors informed Brazil that the conditions set forth for the consolidation of the maturities in the first half of 1987 taking effect had not been met

1/ For purposes of this paper, grace period and maturity on rescheduled amounts of current maturities are defined to begin at the end of the consolidation period. In the case of arrears and late interest, they are measured from the beginning of the consolidation period for current maturities, i.e., 1/1/87.

2/ The conditional consolidation did not become effective.

3/ Agreed Minute did not refer to arrears, although at the time of the rescheduling 1985 and 1986 maturities were de facto in arrears.

Table 22. Chile: Date of Agreed Minute: April 2, 1987

Chairmanship—Paris Club

Type of debt covered	Scope of Debt Relief		Estimated or actual amount consolidated (US\$ million)	Proportion of maturities covered and repayment schedule (In percent)	Repayment Terms 1/	
	Consolidation period				Grace period (Years)	Maturity = grace + repayment periods (Years)
a. Unpaid principal due on official and officially-guaranteed debts having an original maturity of more than one year, and which were extended to or guaranteed by the Government of Chile or the Chilean public sector, pursuant to a contract or other financial arrangement concluded before 1/01/85	4/15/87-12/31/88		157	85 (of principal)—in 8 equal semiannual payments starting 8/15/91 and ending 2/15/95 10 (of principal)—on 3/31/89 5 (of principal) and all interest—according to the original due dates	2 8/12	6 2/12
Excludes debt service due as a result of the previous consolidation dated 7/17/85						

Undertakings in Agreed Minute						
Local currency counterpart	Deposit in special account	Implementation of Agreed Minute			Period of Stand-By Arrangement	Other Comments
		Bilateral deadline	Conditions for application of the provisions of the Agreed Minute	Conditions for a meeting to discuss future debt service obligations (goodwill clause)		
Yes	No	10/31/87	- For the period through 8/15/88, a continued upper credit tranche Fund arrangement; and for 8/16/88-12/31/88, an appropriate relationship with the Fund, noting the authorities' commitment to seek an arrangement with the Fund in the upper credit tranches following the present arrangement	- Did not include a goodwill clause	The extended Fund arrangement covered the period 8/15/85-8/15/88	None

1/ For purposes of this paper, grace period and maturity on rescheduled amounts of current maturities are defined to begin at the end of the consolidation period. In the case of arrears and late interest, they are measured from the beginning of the consolidation period.

Table 23. Congo: Date of Agreed Minute: July 18, 1986

Chairmanship—Paris Club

Type of debt covered	Scope of Debt Relief		Proportion of maturities covered and repayment schedule (In percent)	Repayment Terms 1/	
	Consolidation period	Estimated or actual amount consolidated (US\$ million)		Grace period (Years)	Maturity = grace + repayment periods (Years)
a. Unpaid principal and interest due on official and officially guaranteed debts having an original maturity of more than one year, and which were extended to or guaranteed by the Government of Congo, pursuant to a contract or other financial arrangement concluded before 1/1/86	a., b. 8/1/86-3/31/88	756	a., b. 95 (of principal and interest)—in 12 equal semi-annual payments starting 11/30/91 and ending 5/31/97 5 (of principal and interest)—in 3 equal annual payments starting 3/31/88 and ending 3/31/90	3 8/12	9 2/12
b. Unpaid principal and interest due under previous bilateral consolidations	c. Arrears as at 7/31/86		c. 90 (of principal and interest)—arrangement semi-annual payments starting 7/31/90 and ending 1/31/95 10 (of principal and interest)—in 3 equal annual payments starting 3/31/88 and ending 3/31/90	4	8 6/12
c. Arrears on debts mentioned in a. and b. above					

Undertakings in Agreed Minute						
Local currency counterpart	Deposit in special account	Implementation of Agreed Minute			Period of Stand-By Arrangement	Other Comments
		Bilateral deadline	Conditions for application of the provisions of the Agreed Minute	Conditions for a meeting to discuss future debt service obligations (goodwill clause)		
No	No	2/28/87	- Continued upper credit tranche Fund arrangement	- Continued upper credit tranche Fund arrangement - Effective arrangements with banks and other creditors meeting the conditions of the MFN and initiative clauses - To report in writing on the contents of the bilateral agreements reached with creditors not participating in the Paris Club - Compliance with all conditions of this Agreed Minute	8/29/86-4/28/88	- Includes an undertaking to inform the Chairman of the Paris Club before 10/31/86 of the progress achieved in securing comparable treatment from other creditors - Specific reference to an unchanged cutoff date in the event of a future rescheduling

1/ For purposes of this paper, grace period and maturity on rescheduled amounts of current maturities are defined to begin at the end of the consolidation period. In the case of arrears and late interest, they are measured from the beginning of the consolidation period.

Table 24. Côte d'Ivoire: Date of Agreed Minute: December 18, 1987 ^{1/}

Chairmanship—Paris Club

Type of debt covered	Scope of Debt Relief		Proportion of maturities covered and repayment schedule (In percent)	Repayment Terms ^{1/}	
	Consolidation period	Estimated or actual amount consolidated (US\$ million)		Grace period (Years)	Maturity = grace + repayment periods (Years)
a. Unpaid principal and interest due on official and officially guaranteed debts having an original maturity of more than one year, and which were extended to or guaranteed by the Government of Côte d'Ivoire, pursuant to a contract or other financial agreement concluded before 7/1/83	a., b. 1/01/88-4/30/89 c. Arrears as at 12/31/87 d. Late interest accrued as at 12/31/87	567	a., b. 100 (of principal) and 95 (of interest)—in 8 equal semiannual payments starting 2/28/95 and ending 8/31/98 5 (of interest)—according to the original schedule c., d. 100 (of principal), 95 (of interest) and 100 (of late interest)—in 8 equal semiannual payments starting 2/28/95 and ending 8/31/98 5 (of interest)—according to the original schedule	5 10/12 7 2/12	9 4/12 10 8/12
b. Unpaid principal and interest due as a result of the previous consolidations dated 5/4/84, 6/25/85, and 6/27/86					
c. Arrears on debts mentioned in a., b., above					
d. Late interest on debts mentioned in a., b. above					
Excludes debts contracted by "Air Afrique", the CIMAQ, the RAN, the "Conseil de l'Entente", the ASECNA, and BOAD, and which are guaranteed jointly by the Republic of Côte d'Ivoire and other governments					

Undertakings in Agreed Minute						
Local currency counterpart	Deposit in special account	Bilateral deadline	Implementation of Agreed Minute		Period of Stand-By Arrangement	Other Comments
			Conditions for application of the provisions of the Agreed Minute	Conditions for a meeting to discuss future debt service obligations (goodwill clause)		
No	No	5/31/88	- Continued upper credit tranche Fund arrangement	- Continued upper credit Fund arrangement - Effective arrangement with banks and other creditors meeting the conditions of the MFRN and initiative clauses - To report in writing on the contents of the bilateral agreements reached with creditors not participating in the Paris Club - Compliance with all conditions of this Agreed Minute	16 months	- Specific reference to an unchanged cutoff date in the event of a future rescheduling

^{1/} The provisions of this Agreed Minute will become effective pari passu with the Fund stand-by arrangement; the latter was approved in principle on December 15, 1987 and became effective on February 29, 1988.

^{2/} For purposes of this paper, grace period and maturity on rescheduled amounts of current maturities are defined to begin at the end of the consolidation period. In the case of arrears and late interest, they are measured from the beginning of the consolidation period.

Table 25. Egypt: Date of Agreed Minute: May 22, 1987

Chairmanship-Paris Club

Type of debt covered	Scope of Debt Relief		Estimated or actual amount consolidated (US\$ million)	Proportion of maturities covered and repayment schedule (In percent)	Repayment Terms 1/	
	Consolidation period				Grace period (Years)	Maturity = grace + repayment periods (Years)
a. Unpaid principal and interest due on official and officially guaranteed debts having an original maturity of more than one year, and which were extended to or guaranteed by the Government of Egypt, or the Egyptian public sector, including the four public sector banks, pursuant to a contract or other financial arrangement concluded before 10/31/86	a. 1/1/87-6/30/88		5,586	a. 100 (of principal and interest)—in 10 equal semiannual payments starting 3/31/93 and ending 9/30/97	4 9/12	9 3/12
	b. Arrears at 12/31/86					
	c. Late interest accrued as at 12/31/86			b.,c. 100 (of principal, interest and late interest)—in 10 equal semiannual payments starting 12/31/91 and ending 6/30/96	5	9 6/12
b. Arrears on debts mentioned in a. above						
c. Late interest on debts mentioned in a. and b. above						

Undertakings in Agreed Minute						
Local currency counterpart	Deposit in special account	Bilateral deadline	Implementation of Agreed Minute		Period of Stand-By Arrangement	Other Comments
			Conditions for application of the provisions of the Agreed Minute	Conditions for a meeting to discuss future debt service obligations (goodwill clause)		
No	Yes	10/31/87	- Continued upper credit tranche Fund arrangement	- Implementation of certain additional measures as discussed during the meeting to accelerate the adjustment process, and on that basis continues to have an arrangement with the Fund subject to upper tranche conditionality - Effective arrangements with banks and other creditors meeting the conditions of the MFN and initiate clauses - To report in writing on the contents of the bilateral agreements reached with creditors not participating in the Paris Club - Compliance with all conditions of the Agreed Minute	5/15/87-11/30/88	- Specific reference to an unchanged cutoff date in the event of a future rescheduling - Includes a "transfer clause" whereby the Government of Egypt agrees to continue to permit the transfer of foreign exchange by the private debtors for servicing their debt owed to Paris Club creditors; and not to impose any restrictions on such transfers other than those enforced at present

1/ For purposes of this paper, grace period and maturity on rescheduled amounts of current maturities are defined to begin at the end of the consolidation period. In the case of arrears and late interest, they are measured from the beginning of the consolidation period.

Table 26. Gabon: Date of Agreed Minute: January 21, 1987

Chairmanship—Paris Club

Type of debt covered	Scope of Debt Relief		Estimated or actual amount consolidated (US\$ million)	Proportion of maturities covered and repayment schedule (In percent)	Repayment Terms 1/	
	Consolidation period				Grace period (Years)	Maturity = grace + repayment periods (Years)
a. Unpaid principal and interest due on official and officially guaranteed debts having an original maturity of more than year, and which were extended to the Government of Gabon or covered by its guarantee, pursuant to an agreement or other financial arrangement concluded before 7/01/86	a. 9/21/86-12/31/87		387	a. 100 (of principal) and 90 (of interest)—in 12 equal semiannual payments starting 11/15/91 and ending 5/15/97 10 (of interest)—in 4 equal annual payments starting 6/30/88 and ending 6/30/91	3 11/12	9 5/12
Excludes debt service due as a result of previous consolidation agreements						

Undertakings in Agreed Minute						
Implementation of Agreed Minute						
Local currency counterpart	Deposit in special account	Bilateral deadline	Conditions for application of the provisions of the Agreed Minute	Conditions for a meeting to discuss future debt service obligations (goodwill clause)	Period of Stand-By Arrangement	Other Comments
No	No	7/31/87	- Continued upper credit tranche Fund arrangement	- Continued upper credit tranche Fund arrangement - Effective arrangements with banks and other creditors meeting the conditions of the MFN and initiative clauses - To report in writing on the contents of the bilateral agreements reached with creditors not participating in the Paris Club - Compliance with all conditions of this Agreed Minute	12/22/86-12/31/88	- Specific reference to an unchanged cutoff date in the event of a future rescheduling

1/ For purposes of this paper, grace period and maturity on rescheduled amounts of current maturities are defined to begin at the end of the consolidation period. In the case of arrears and late interest, they are measured from the beginning of the consolidation period.

Table 27. The Gambia: Date of Agreed Minute: September 19, 1986

Chairmanship—Paris Club

Type of debt covered	Scope of Debt Relief		Estimated or actual amount consolidated (US\$ million)	Proportion of maturities covered and repayment schedule (In percent)	Repayment Terms 1/	
	Consolidation period				Grace period (Years)	Maturity = grace + repayment periods (Years)
a. Unpaid principal and interest due on official and officially guaranteed debts having an original maturity of more than one year, pursuant to a contract or other financial arrangement concluded before 7/01/86	a. 10/01/86-9/30/87		17	a. 100 (of principal and interest)—in 10 equal semiannual payments starting 9/30/92 and ending 3/31/97	5	9 1/2
	b.,c. arrears at 9/30/86			b.,c. 100 (of principal and interest)—in 10 equal semiannual payments starting 9/30/91 and ending 3/31/96	5	9 1/2
b. Arrears on debts mentioned in a. above						
c. Arrears on official and officially guaranteed debt having an original maturity of one year or less pursuant to a contract or other financial arrangement concluded before 7/01/86						

Undertakings in Agreed Minute						
Local currency counterpart	Deposit in special account	Implementation of Agreed Minute			Period of Stand-By Arrangement	Other Comments
		Bilateral deadline	Conditions for application of the provisions of the Agreed Minute	Conditions for a meeting to discuss future debt service obligations (goodwill clause)		
Yes	Yes	4/30/87	- Continued upper credit tranche Fund arrangement	- Continued upper credit tranche Fund arrangement - Effective arrangements with banks and other creditors meeting the MFN and initiative clauses - To report in writing on the contents of the bilateral agreements reached with creditors not participating in the Paris Club - Compliance with all conditions of this Agreed Minute	9/17/86-10/16/87	- Specific reference to an unchanged cutoff date in the event of a future rescheduling

1/ For purposes of this paper, grace period and maturity on rescheduled amounts of current maturities are defined to begin at the end of the consolidation period. In the case of arrears and late interest, they are measured from the beginning of the consolidation period.

Table 28. Guinea-Bissau: Date of Agreed Minute: October 27, 1987

Chairmanship—Paris Club

Type of debt covered	Scope of Debt Relief		Estimated or actual amount consolidated (US\$ million)	Proportion of maturities covered and repayment schedule (In percent)	Repayment Terms 1/	
	Consolidation period				Grace period (Years)	Maturity = grace + repayment periods (Years)
a. Unpaid principal due on official and officially guaranteed debts having an original maturity of more than one year, pursuant to a contract or other financial arrangement concluded before 12/31/86	a. 7/01/87-12/31/88 b. Arrears as at 6/30/87		25	a. 100 (of principal)—in 20 equal semiannual payments starting 9/30/96 and ending 3/31/2008 b. 100 (of principal and interest)—in 20 equal semiannual payments starting 6/30/97 and ending 12/31/2006	9 9/12 10	19 3/12 19 6/12
b. Arrears on debts mentioned above						

Undertakings in Agreed Minute						
Implementation of Agreed Minute						
Local currency counterpart	Deposit in special account	Bilateral deadline	Conditions for application of the provisions of the Agreed Minute	Conditions for a meeting to discuss future debt service obligations (goodwill clause)	Period of Fund Arrangement	Other Comments
Yes	Yes	3/31/88	- Continued arrangement with the Fund under the structural adjustment facility	- Continued arrangement with the Fund under the structural adjustment and/or an arrangement involving use of Fund resources subject to upper tranche conditionality - Effective arrangements with banks and other creditors meeting the conditions of MFN and initiative clauses - To report in writing on the contents of the bilateral agreements reached with creditors not participating in the Paris Club - Compliance with all conditions of the Agreed Minute	Medium-term arrangement under the SAF covers 10/14/87-10/13/90, while the first annual arrangement covers 10/14/87-10/13/88	- Specific reference to an unchanged cutoff date in the event of a future rescheduling - Creditors judged that the country's low per capita income and heavy indebtedness warranted the application of an extended repayment period

1/ For purposes of this paper, grace period and maturity on rescheduled amounts of current maturities are defined to begin at the end of the consolidation period. In the case of arrears and late interest, they are measured from the beginning of the consolidation period.

Chairmanship—Paris Club

Local currency counterpart	Deposit in special account	Undertakings in Agreed Minute		Period of Stand-By Arrangement	Other Comments
		Implementation of Agreed Minute			
		Bilateral deadline	Conditions for application of the provisions of the Agreed Minute			Conditions for a meeting to discuss future debt service obligations (goodwill clause)
No	No	9/30/87	- Continued upper credit tranche Fund arrangement	3/02/87- 5/31/88	- Specific reference to an unchanged cutoff date in the event of a future rescheduling - Includes a "transfer clause" whereby Jamaica agrees to guarantee the immediate and unrestricted transfer of foreign exchange in all cases where the private sector debtor pays local currency counterpart for servicing debts owed to Paris Club creditors

1/ For purposes of this paper, grace period and maturity on rescheduled amounts of current maturities are defined to begin at the end of the consolidation period. In the case of arrears and late interest, they are measured from the beginning of the consolidation period.

Table 30. Madagascar: Date of Agreed Minute: October 23, 1986

Chairmanship—Paris Club

Type of debt covered	Scope of Debt Relief		Estimated or actual amount consolidated (US\$ million)	Proportion of maturities covered and repayment schedule (In percent)	Repayment Terms 1/	
	Consolidation period				Grace period (Years)	Maturity = grace + repayment periods (Years)
a. Unpaid principal and interest due on official and officially guaranteed debts having an original maturity of more than one year, pursuant to a contract or other financial arrangement concluded before 7/01/83	a., b. 4/1/86-12/31/87 2/		212	a., b. 100 (of principal and interest)—10 equal semiannual payments starting 8/15/92 and ending 2/15/97	4 8/12	9 2/12
b. Unpaid principal and interest due as a result of previous consolidations dated 4/30/81 and 7/13/82						
Excludes debt service due as a result of the previous consolidations dated 3/23/84 and 5/22/85						

Undertakings in Agreed Minute						
Local currency counterpart	Implementation of Agreed Minute			Period of Stand-By Arrangement	Other Comments	
	Deposit in special account	Bilateral deadline	Conditions for application of the provisions of the Agreed Minute			
Yes	Yes	4/30/87	- Continued upper credit tranche Fund arrangement	- Continued upper credit tranche Fund arrangement - Effective arrangements with banks and other creditors meeting the conditions of the MFN and initiative clauses - To report in writing on the contents of the bilateral agreements reached with creditors not participating in the Paris Club - Compliance with all conditions of this Agreed Minute	9/17/86- 2/16/88 - Specific reference to an unchanged cutoff date in the event of a future rescheduling	

1/ For purposes of this paper, grace period and maturity on rescheduled amounts of current maturities are defined to begin at the end of the consolidation period. In the case of arrears and late interest, they are measured from the beginning of the consolidation period.

2/ Paris Club creditors subsequently extended the consolidation period through March 1988.

Table 31. Mauritania: Date of Agreed Minute: June 15, 1987

Chairmanship—Paris Club

Type of debt covered	Scope of Debt Relief		Estimated or actual amount consolidated (US\$ million)	Proportion of maturities covered and repayment schedule (In percent)	Repayment Terms 1/	
	Consolidation period				Grace period (Years)	Maturity = grace + repayment periods (Years)
a. Unpaid principal and interest due on official and officially guaranteed debts having an original maturity of more than one year, pursuant to a contract or other financial arrangement concluded before 12/31/84	4/1/87-5/31/88		90	95 (of principal and interest)—in 20 equal semiannual payments starting 4/30/93 and ending 10/31/2002 5 (of principal and interest) to be paid as originally scheduled	4 11/12	14 5/12
Excludes debt service as a result of the previous consolidations dated 4/27/85 and 5/16/86						

Undertakings in Agreed Minute						
Local currency counterpart	Deposit in special account	Implementation of Agreed Minute			Period of Stand-By Arrangement	Other Comments
		Bilateral deadline	Conditions for application of the provisions of the Agreed Minute	Conditions for a meeting to discuss future debt service obligations (goodwill clause)		
Yes	No	2/29/88	- Continued upper credit tranche Fund arrangement	- Continued arrangement for use of Fund resources subject to upper tranche conditionality - Effective arrangements with banks and other creditors meeting the conditions of the MPN and initiative clauses - To report in writing on the contents of the bilateral agreements reached with creditors not participating in the Paris Club - Compliance with all conditions of this Agreed Minute	5/05/87-5/04/88	- Specific reference to an unchanged cutoff date in the event of a future rescheduling - Creditors judged that the country's low per capita income and heavy indebtedness warranted the application of an extended repayment period

1/ For purposes of this paper, grace period and maturity on rescheduled amounts of current maturities are defined to begin at the end of the consolidation period. In the case of arrears and late interest, they are measured from the beginning of the consolidation period.

Table 32. Mexico: Date of Agreed Minute: September 17, 1986 ^{1/}

Chairmanship—Paris Club

Type of debt covered	Scope of Debt Relief		Estimated or actual amount consolidated (US\$ million)	Proportion of maturities covered and repayment schedule (In percent)	Repayment Terms ^{1/}	
	Consolidation period				Grace period (Years)	Maturity = grace + repayment periods (Years)
Unpaid principal and interest due on official and officially guaranteed debts having an original maturity of more than one year, and which were extended to or guaranteed by the Mexican Government or the Mexican Public Sector, pursuant to a contract or other financial arrangement concluded before 12/31/85 ^{3/}	a. 9/22/86-12/31/87		1,912	a. 100 (of principal) and 60 (of interest)—in 10 equal semiannual payments starting 1/1/92 and ending 7/1/96	4	8 6/12
	b. 1/1/88-3/31/88			b. 100 (of principal)—in 10 equal semiannual payments starting 1/1/92 and ending 7/1/96 Non consolidated interest in a. and b. to be paid according to original schedule	3 9/12	8 3/12
Specifically noted the exclusion of certain private sector debt service payments that had been included under the previous consolidation dated 6/22/83						

Undertakings in Agreed Minute						
Local currency counterpart	Deposit in special account	Implementation of Agreed Minute			Period of Stand-By Arrangement	Other Comments
		Bilateral deadline	Conditions for application of the provisions of the Agreed Minute	Conditions for a meeting to discuss future debt service obligations (goodwill clause)		
No	No	4/30/87	- Continued upper credit tranche Fund arrangement	- Did not include a goodwill clause	11/20/86-3/31/88	None

^{1/} The provisions of this Agreed Minute became effective pari passu with the Fund stand-by arrangement on November 20, 1986; the latter was approved in principle on September 8, 1986.

^{2/} For purposes of this paper, grace period and maturity on rescheduled amounts of current maturities are defined to begin at the end of the consolidation period. In the case of arrears and late interest, they are measured from the beginning of the consolidation period.

^{3/} Under the previous consolidation dated 6/22/83 the cutoff date was December 1982; however, as this consolidation only applied to debt of the Mexican private sector and as the 1986 consolidation only had applied to debts of the Mexican public sector, effectively there was no change in the cutoff date.

Table 33. Morocco: Date of Agreed Minute: March 6, 1987

Chairmanship—Paris Club

Type of debt covered	Scope of Debt Relief		Proportion of maturities covered and repayment schedule (In percent)	Repayment Terms 1/	
	Consolidation period	Estimated or actual amount consolidated (US\$ million)		Grace period (Years)	Maturity = grace + repayment periods (Years)
a. Unpaid principal and interest due on official and officially guaranteed debts having an original maturity of more than one year, and which were extended to or guaranteed by the Government of Morocco, or the Moroccan public sector, pursuant to a contract or other financial arrangement concluded before 5/01/83	a. 3/01/87-6/30/88	1,008	a. 100 (of principal and interest)—in 10 equal semiannual payments starting 3/15/93 and ending 9/15/97	4 9/12	9 3/12
	b. 3/01/87-6/30/88		b. 100 (of principal and interest) due as a result of the consolidation dated 9/17/85 and 50 (of principal and interest) due as a result of the consolidation dated 10/25/83—in 8 equal semiannual payments starting 1/01/90 and ending 7/01/93 50 (of principal and interest) due as result of the consolidation dated 10/25/83—according to the previously agreed schedule	1 6/12	5
b. Unpaid principal and interest due as a result of the previous consolidations dated 10/25/83 and 9/17/85					

Undertakings in Agreed Minute						
Local currency counterpart	Deposit in special account	Bilateral deadline	Implementation of Agreed Minute		Period of Stand-By Arrangement	Other Comments
			Conditions for application of the provisions of the Agreed Minute	Conditions for a meeting to discuss future debt service obligations (goodwill clause)		
Yes	No	9/30/87	- Continued upper credit tranche Fund arrangement	- Continued upper credit tranche Fund arrangements effective arrangements with banks and other creditors meeting the conditions of the MFN and initiative clauses - To report in writing on the contents of the bilateral agreements reached with creditors not participating in the Paris Club - Compliance with all con- ditions of this Agreed Minute	12/16/86- 3/31/88	- Included an undertaking to inform the Chairman of the Paris Club within 90 days on the progress achieved in securing comparable treatment from other creditors - Specific reference to an unchanged cutoff date in the event of a future rescheduling

1/ For purposes of this paper, grace period and maturity on rescheduled amounts of current maturities are defined to begin at the end of the consolidation period. In the case of arrears and late interest, they are measured from the beginning of the consolidation period.

Table 34. Mozambique: Date of Agreed Minute: June 16, 1987

Chairmanship—Paris Club

Type of debt covered	Scope of Debt Relief		Estimated or actual amount consolidated (US\$ million)	Proportion of maturities covered and repayment schedule (In percent)	Repayment Terms 1/	
	Consolidation period				Grace period (Years)	Maturity = grace + repayment periods (Years)
a. Unpaid principal and interest due on official and officially guaranteed debts having an original maturity of more than one year, pursuant to a contract or other financial arrangement concluded before 2/1/84	a., b. 6/1/87 -12/31/88		361	a., b. 100 (of principal and interest)—in 20 equal semiannual payments starting 9/15/98 and ending 3/15/2008	9 9/12	19 3/12
	c. Arrears as at 5/31/87					
	d. Late interest accrued as at 5/31/87			c., d. 100 (of principal, interest, and late interest)—in 20 equal semiannual payments starting 5/31/97 and ending 11/30/2006	10	19 6/12
b. Unpaid principal and interest due as a result of the previous consolidation dated 10/25/84						
c. Arrears on debts mentioned in a., b. above						
d. Late interest on debts mentioned in a., b. above.						

Undertakings in Agreed Minute						
Local currency counterpart	Deposit in special account	Bilateral deadline	Implementation of Agreed Minute		Period of Fund Arrangement	Other Comments
			Conditions for application of the provisions of the Agreed Minute	Conditions for a meeting to discuss future debt service obligations (goodwill clause)		
Yes	Yes	6/30/88	- Continued arrangement with the Fund under the Structural Adjustment Facility	- Continued arrangement with the Fund under the Structural Adjustment Facility or an arrangement involving use of Fund resources subject to upper tranche conditionality - Effective arrangements with banks and other creditors meeting the conditions of the MFN and initiative clauses - To report in writing on the contents of the bilateral agreements reached with creditors not participating in the Paris Club - Compliance with all conditions of this Agreed Minute	Medium-term arrangement under the SAF covers 6/08/87-6/07/90, while the first annual arrangement covers 6/08/87 - 6/07/88	- Specific reference to an unchanged cutoff date in the event of a future rescheduling - Creditors judged that the country's low per capita income and heavy indebtedness warranted the application of an extended repayment period

1/ For purposes of this paper, grace period and maturity on rescheduled amounts of current maturities are defined to begin at the end of the consolidation period. In the case of arrears and late interest, they are measured from the beginning of the consolidation period.

Table 35. Niger: Date of Agreed Minute: November 20, 1986

Chairmanship—Paris Club

Type of debt covered	Scope of Debt Relief		Estimated or actual amount consolidated (US\$ million)	Proportion of maturities covered and repayment schedule (In percent)	Repayment Terms 1/	
	Consolidation period				Grace period (Years)	Maturity = grace + repayment periods (Years)
a. Unpaid principal due on official and officially guaranteed debts, having an original maturity of more than one year, and which were extended to or guaranteed by the Government of Niger, pursuant to a contract or other financial arrangement concluded before 7/1/83.	12/5/86- 12/4/87		34	100 (of principal)— in 10 equal semi-annual payments starting 12/01/92 and ending 6/01/97 100 (of interest) will be paid according to original schedule	5	9 1/2

Excludes debt service due as a result of the previous consolidations dated 11/14/83, 11/30/84, and 11/21/85

Undertakings in Agreed Minute						
Local currency counterpart	Implementation of Agreed Minute			Period of Stand-By Arrangement	Other Comments	
	Deposit in special account	Bilateral deadline	Conditions for application of the provisions of the Agreed Minute			
No	No	7/31/87	- Continued upper credit tranche Fund arrangement	12/5/86-12/4/87	- Specific reference to an unchanged cutoff date in the event of a future rescheduling	
			- Continued upper credit tranche Fund arrangement			
			- Effective arrangements with banks and other creditors meeting the conditions of the MFN and initiative clauses			
			- To report in writing on the contents of the bilateral agreements reached with creditors not participating in the Paris Club			
			- Compliance with all conditions of this Agreed Minute			

1/ For purposes of this paper, grace period and maturity on rescheduled amounts of current maturities are defined to begin at the end of the consolidation period. In the case of arrears and late interest, they are measured from the beginning of the consolidation period.

Table 36. Nigeria: Date of Agreed Minute: October 16, 1986

Chairmanship—Paris Club

Type of debt covered	Scope of Debt Relief		Estimated or actual amount consolidated (US\$ million)	Proportion of maturities covered and repayment schedule (In percent)	Repayment Terms 1/	
	Consolidation period				Grace period (Years)	Maturity = grace + repayment periods (Years)
a. Unpaid principal and interest due on official and officially guaranteed debts having an original maturity of more than one year, and which were extended to or guaranteed by the Government of Nigeria, or to one of the Federated States, or the Nigerian public sector, pursuant to a contract or other financial arrangement concluded before 10/1/85	a. 10/1/86-12/31/87 b.,c. arrears as at 9/30/86 d. arrears as at 12/31/83 and late interest accrued as at 12/31/86		6,251	a.,b.,c. 100 (of principal and interest)—in 10 equal semiannual payments starting 11/15/92 and ending 5/15/97 d. 100 (of principal and interest)—in 10 equal semiannual payments starting 1/01/90 and ending 7/01/94	a. 4 11/12 b.,c. 6 2/12 d. 6	9 5/12 10 8/12 11 7/12
b. Arrears on debts mentioned in a. above	e. arrears as at 9/30/86			e. 90 (of principal)—in 6 equal semiannual payments starting 1/01/88 and ending 7/01/90 Interest and 10 percent of principal—as soon as possible and no later than 11/15/87	e. 1 3/12	3 9/12
c. Arrears on official and officially guaranteed debts having an original maturity of more than one year, and which were extended to the private sector in Nigeria, pursuant to a contract or other financial arrangement concluded before 10/1/85						
d. Arrears as at December 31, 1983 on official and officially guaranteed debts payable on cash terms or having an original maturity of one year or less; including late interest accrued on these debts as at December 31, 1986						
e. Arrears as at September 30, 1986 on official and officially guaranteed letter of credits or commercial credits having an original maturity of one year or less and not covered by d. above						

Undertakings in Agreed Minute						
Local currency counterpart	Deposit in special account	Implementation of Agreed Minute			Period of Stand-By Arrangement	Other Comments
		Bilateral deadline	Conditions for application of the provisions of the Agreed Minute	Conditions for a meeting to discuss future debt service obligations (goodwill clause)		
Yes	Yes	6/30/87	- Continued upper credit tranche Fund arrangement	- Continued upper credit tranche Fund arrangement - Effective arrangements with banks and other creditors meeting the conditions of the MFN and initiative clauses - To report in writing on the contents of the bilateral agreements reached with creditors not participating in the Paris Club - Compliance with all conditions of this Agreed Minute	1/30/87-1/31/88	- Specific reference to an unchanged cutoff date in the event of a future rescheduling - Includes a "transfer clause" whereby the Government of Nigeria agrees to guarantee the immediate and unrestricted transfer of foreign exchange in all cases where the private sector debtor pays the local currency counterpart for servicing debts owed to Paris Club creditors not subject to the present consolidation

1/ The provisions of this Agreed Minute became effective *pari passu* with the Fund stand-by arrangement on January 30, 1987; the latter was approved in principle on December 12, 1986.

2/ For purposes of this paper, grace period and maturity on rescheduled amounts of current maturities are defined to begin at the end of the consolidation period. In the case of arrears and late interest, they are measured from the beginning of the consolidation period.

Table 37. Philippines: Date of Agreed Minute: January 22, 1987 ^{1/}

Chairmanship—Paris Club

Type of debt covered	Scope of Debt Relief		Proportion of maturities covered and repayment schedule (In percent)	Repayment Terms ^{1/}	
	Consolidation period	Estimated or actual amount consolidated (US\$ million)		Grace period (Years)	Maturity = grace + repayment periods (Years)
n. Unpaid principal and interest due on official and officially guaranteed debts having an original maturity of more than year, and which were extended to or guaranteed by the Government of the Philippines or the Philippines public sector, pursuant to a contract or other financial arrangement concluded before 4/01/84	a. 1/01/87-6/30/88	862	a. 100 (of principal) and 70 (of interest)—in 10 equal semiannual payments starting 4/01/93 and ending 10/01/97 30 (of interest)—according to the original schedule	4 9/12	9 3/12
Excludes debt service due as a result of the previous consolidation dated 12/20/84					

Undertakings in Agreed Minute						
Local currency counterpart	Implementation of Agreed Minute					
	Deposit in special account	Bilateral deadline	Conditions for application of the provisions of the Agreed Minute	Conditions for a meeting to discuss future debt service obligations (goodwill clause)	Period of Stand-By Arrangement	Other Comments
Yes	No	9/30/87	- Continued upper credit tranche Fund arrangement - The signing of the bilateral agreement between the Government of the Philippines and Austria, pursuant to the December 20, 1984 Agreed Minute	- Did not include a goodwill clause	10/24/86-4/23/88	- Includes a "transfer clause" whereby the Government of the Philippines guarantees the immediate and unrestricted transfer of foreign exchange in all cases where the private sector debtor pays the local currency counterpart for servicing debt owed to Paris Club creditors

^{1/} The effectiveness of this Agreed Minute was contingent on the conclusion of the bilateral agreement between the Government of the Philippines and a participating creditor country, pursuant to the previous Agreed Minute of December 20, 1984.

^{2/} For purposes of this paper, grace period and maturity on rescheduled amounts of current maturities are defined to begin at the end of the consolidation period. In the case of arrears and late interest, they are measured from the beginning of the consolidation period.

Table 38. Poland: Date of Agreed Minute: October 30, 1987 ^{1/}

Chairmanship—Paris Club

Type of debt covered	Scope of Debt Relief		Estimated or actual amount consolidated (US\$ million)	Proportion of maturities covered and repayment schedule (In percent)	Repayment Terms ^{2/}	
	Consolidation period				Grace period (Years)	Maturity = grace + repayment periods (Years)
a. Unpaid principal and interest due on official and officially guaranteed debts having an original maturity of more than one year pursuant to a contract or other financial arrangement concluded before January 1, 1984.	a., b. 1/01/88-12/31/88 c. Arrears as at 12/31/87 d. Late interest capitalized as at 12/31/87		9,027	a., b. 100 (of principal and interest)—in 10 equal semiannual payments starting 6/30/93 and ending 12/31/97 c., d. in general 100 (of principal, interest, and late interest) (but only 50 percent of arrears as at 3/31/87 under the consolidation dated 4/27/81 including the late interest capitalized at this same date) in 10 equal semiannual payments starting 6/30/93 and ending 12/31/97 ^{3/}	4 6/12	9
b. Unpaid principal and interest due as a result of the previous consolidations dated 4/27/81, 7/15/85, and 11/19/85.					5 6/12	10
c. Arrears on debts mentioned in a., b. above.						
d. Late interest on debts mentioned in a., b., above.						

Undertakings in Agreed Minute						
Local currency counterpart	Deposit in special account	Bilateral deadline	Implementation of Agreed Minute		Period of Stand-By Arrangement	Other Comments
			Conditions for application of the provisions of the Agreed Minute	Conditions for a meeting to discuss future debt service obligations (goodwill clause)		
No	No	5/31/88	- No specific conditions were noted	- Did not include a goodwill clause	Not applicable	-Participating creditor countries underlined the importance they attach to the implementation of policies of economic adjustment and reforms in line with the recommendations contained in the IMF staff report on the Art.IV consultation on Poland discussed by the Executive Board of the IMF on 9/16/87.

^{1/} Agreed Minute initialed on date indicated and signed on December 17, 1987.

^{2/} For purposes of this paper, grace period and maturity on rescheduled amounts of current maturities are defined to begin at the end of the consolidation period. In the case of arrears and late interest, they are measured from the beginning of the consolidation period.

^{3/} The balance of 50 percent of arrears as at 3/31/87 on the consolidation dated 4/27/81 including late interest capitalized at this same date—to be paid in four equal monthly payments starting 11/30/87 and ending 2/29/88.

Table 39. Senegal: Date of Agreed Minute: November 21, 1986

Chairmanship—Paris Club

Type of debt covered	Scope of Debt Relief		Estimated or actual amount consolidated (US\$ million)	Proportion of maturities covered and repayment schedule (In percent)	Repayment Terms 1/	
	Consolidation period				Grace period (Years)	Maturity = grace + repayment periods (Years)
a. Unpaid principal and interest due on official and officially guaranteed debts having an original maturity of more than one year, and which were extended to or guaranteed by the Government of Senegal, pursuant to a contract or other financial arrangement concluded before 1/01/83	7/1/86-10/31/87		65	100 (of principal and interest)—in 10 equal semiannual payments starting 8/31/92 and ending 2/28/87	4 10/12	9 4/12
Excludes debts contracted by Air Afrique and by the "Agence pour la Securite de la Navigation Aerienne," which are guaranteed jointly by the Government of Senegal and other governments						
Excludes debt service due as a result of the previous consolidations dated 10/13/81, 11/29/82, 12/21/83 and 1/18/85						

Undertakings in Agreed Minute						
Local currency counterpart	Deposit in special account	Bilateral deadline	Implementation of Agreed Minute		Period of Stand-By Arrangement	Other Comments
			Conditions for application of the provisions of the Agreed Minute	Conditions for a meeting to discuss future debt service obligations (goodwill clause)		
No	No	5/31/87	- Continued upper credit tranche Fund arrangement	- Continued upper credit tranche Fund arrangement - Effective arrangements with banks and other creditors meeting the conditions of the MFN and initiative clauses - To report in writing on the contents of the bilateral agreements reached with creditors not participating in the Paris Club - Compliance with all conditions of this Agreed Minute	11/10/86-11/09/87	- Specific reference to an unchanged cutoff date in the event of a future rescheduling

1/ For purposes of this paper, grace period and maturity on rescheduled amounts of current maturities are defined to begin at the end of the consolidation period. In the case of arrears and late interest, they are measured from the beginning of the consolidation period.

Table 40. Senegal: Date of Agreed Minute: November 17, 1987

Chairmanship—Paris Club

Type of debt covered	Scope of Debt Relief		Proportion of maturities covered and repayment schedule (In percent)	Repayment Terms 1/	
	Consolidation period	Estimated or actual amount consolidated (US\$ million)		Grace period (Years)	Maturity = grace + repayment periods (Years)
a. Unpaid principal and interest due on official and officially guaranteed debt having an original maturity of more than one year, and which were extended to or guaranteed by the Government of Senegal, pursuant to a contract or other financial arrangement concluded before 1/01/83	11/1/87-10/31/88	79	100 (of principal and interest)—in 20 equal semiannual payments starting 10/31/94 and ending 4/30/2004	6	15 6/12
Excludes debts contracted by Air Afrique and by the "Agence pour la Sécurité de la Navigation Aérienne," which are guaranteed jointly by the Government of Senegal and other governments					
Excludes debt service due as a result of the previous consolidation dated 10/31/81, 11/29/82, 12/21/83, 1/18/85, and 11/21/86					

Undertakings in Agreed Minute						
Local currency counterpart	Deposit in special account	Implementation of Agreed Minute			Period of Stand-By Arrangement	Other Comments
		Bilateral deadline	Conditions for application of the provisions of the Agreed Minute	Conditions for a meeting to discuss future debt service obligations (goodwill clause)		
No	No	5/31/88	- Continued upper credit tranche Fund arrangement	- Continued upper credit tranche Fund arrangement - Effective arrangement with banks and other creditors meeting the conditions of the MFN and initiative clauses - To report in writing on the contents of the bilateral agreements reached with creditors not participating in the Paris Club - Compliance with all conditions of this Agreed Minute	10/26/87-10/25/88	- Specific reference to an unchanged cutoff date in the event of a future rescheduling - Creditors judged that the country's low per capita income and heavy indebtedness warranted the application of an extended repayment period

1/ For purposes of this paper, grace period and maturity on rescheduled amounts of current maturities are defined to begin at the end of the consolidation period. In the case of arrears and late interest, they are measured from the beginning of the consolidation period.

Table 41. Sierra Leone: Date of Agreed Minute: November 19, 1986

Chairmanship—Paris Club

Type of debt covered	Scope of Debt Relief		Proportion of maturities covered and repayment schedule (In percent)	Repayment Terms 1/	
	Consolidation period	Estimated or actual amount consolidated (US\$ million)		Grace period (Years)	Maturity = grace + repayment periods (Years)
a. Unpaid principal and interest due on official and officially guaranteed debts having an original maturity of more than one year, pursuant to a contract or other financial arrangement concluded before 7/01/83	a., b. 7/01/86-11/13/87 c. arrears at 6/30/86 d. Late interest accrued as at 6/30/86	86	a. 100 (of principal and interest)—in 10 equal semiannual payments starting 8/31/92 and ending 2/28/97 b. 100 (of principal and interest)—in 8 equal semiannual payments starting 8/31/92 and ending 2/29/96	4 9/12	9 3/12
b. Unpaid principal and interest due as a result of previous consolidations dated 2/08/80 and 2/08/84					
c. Arrears on debts mentioned in a. and b. above			c., d. 100 (of principal, interest, and late interest)—in 8 equal semiannual payments starting 8/31/92 and ending 2/29/96	6 2/12	9 8/12
d. Late interest on debts mentioned in a. and b. above					
Excludes debt service due as a result of the previous consolidation dated 9/15/77					

Undertakings in Agreed Minute						
Local currency counterpart	Deposit in special account	Implementation of Agreed Minute			Period of Stand-By Arrangement	Other Comments
		Bilateral deadline	Conditions for application of the provisions of the Agreed Minute	Conditions for a meeting to discuss future debt service obligations (goodwill clause)		
Yes	Yes	4/30/87	- Continued upper credit tranche Fund arrangement	- Continued upper credit tranche Fund arrangement - Effective arrangements with banks and other creditors meeting the conditions of the MFN and initiative clauses - To report in writing on the contents of the bilateral agreements reached with creditors not participating in the Paris Club - Compliance with all conditions of this Agreed Minute	11/14/86-11/13/87	- Specific reference to an unchanged cutoff date in the event of a future rescheduling

1/ For purposes of this paper, grace period and maturity on rescheduled amounts of current maturities are defined to begin at the end of the consolidation period. In the case of arrears and late interest, they are measured from the beginning of the consolidation period.

Table 42. Somalia: Date of Agreed Minute: July 22, 1987

Chairmanship-Paris Club

Type of debt covered	Scope of Debt Relief		Proportion of maturities covered and repayment schedule (In percent)	Repayment Terms 1/ Maturity = grace + repayment periods	
	Consolidation period	Estimated or actual amount consolidated (US\$ million)		Grace period (Years)	Repayment periods (Years)
a. Unpaid principal and interest due on official and officially guaranteed debts having an original maturity of more than one year, pursuant to a contract or other financial arrangement concluded before 10/01/84	a., b. 1/1/87-12/31/88	153	a. 100 (of principal and interest)—in 20 equal semiannual payments starting 6/30/98 and ending 12/31/2007	9 1/2	19
	c. Arrears as at 12/31/86		b. 100 (of principal and interest)—in 10 equal semiannual payments starting 6/30/93 and ending 12/31/97	4 1/2	9
			c. For arrears on debts covered by (a): 100 (of principal and interest)—in 20 equal semiannual payments starting 12/31/96 and ending 6/30/2006. For arrears on debts covered by (b): 100 (of principal and interest)—in 10 equal semiannual payments starting 12/31/91 and ending 6/30/96	10 5	19 1/2 9 1/2
b. Unpaid principal and interest due as a result of the previous consolidation dated 3/06/85					
c. Arrears on debts mentioned in a., b above					

Undertakings in Agreed Minute						
Implementation of Agreed Minute						
Local currency counterpart	Deposit in special account	Bilateral deadline	Conditions for application of the provisions of the Agreed Minute	Conditions for a meeting to discuss future debt service obligations (goodwill clause)	Period of Stand-By Arrangement	Other Comments
Yes	Yes	12/31/87	- Continued upper credit tranche Fund arrangement	- Continued arrangement with the Fund subject to upper tranche conditionality - Effective arrangements with banks and other creditors meeting the conditions of the MFN and initiative clauses - To report in writing on the contents of the bilateral agreements reached with creditors not participating in the Paris Club - Compliance with all conditions of the Agreed Minute	6/29/87-2/28/89	- Specific reference to an unchanged cutoff date in the event of a future rescheduling - Creditors judged that the country's low per capita income and heavy indebtedness warranted the application of an extended repayment period

1/ For purposes of this paper, grace period and maturity on rescheduled amounts of current maturities are defined to begin at the end of the consolidation period. In the case of arrears and late interest, they are measured from the beginning of the consolidation period.

Table 43. Tanzania: Date of Agreed Minute: September 18, 1986

Chairmanship--Paris Club

Type of debt covered	Scope of Debt Relief		Estimated or actual amount consolidated (US\$ million)	Proportion of maturities covered and repayment schedule (In percent)	Repayment Terms 1/	
	Consolidation period				Grace period (Years)	Maturity = grace + repayment periods (Years)
a. Unpaid principal and interest on official and officially guaranteed debts having an original maturity of more than one year pursuant to a contract or other financial arrangement concluded before 6/30/86	a. 10/01/86-9/30/87		1,046	a. 100 (of principal and interest)—in 10 equal semiannual payments starting 10/01/92 and ending 4/01/97	5	9 1/2
	b.c. arrears at 9/30/86					
	d. late interest accrued as at 9/30/86			b.,c.,d 97.5 (of principal, interest, and late interest)—in 10 equal semiannual payments starting 10/01/92 and ending 4/01/97	6	10 1/2
				2.5—to be paid on 9/30/87		
b. Arrears on debts mentioned in a. above						
c. Arrears on official and officially guaranteed debt having an original maturity of one year or less pursuant to a contract or other financial arrangement concluded before 6/30/86						
d. Late interest on debts mentioned above						

Undertakings in Agreed Minute						
Local currency counterpart	Implementation of Agreed Minute				Period of Stand-By Arrangement	Other Comments
	Deposit in special account	Bilateral deadline	Conditions for application of the provisions of the Agreed Minute	Conditions for a meeting to discuss future debt service obligations (goodwill clause)		
Yes	Yes	4/30/87	- Continued upper credit tranche Fund arrangement	- Continued upper credit tranche Fund arrangement - Effective arrangements with banks and other creditors meeting the conditions of the MFN and initiative clauses - To report in writing on the contents of the bilateral agreements reached with creditors not participating in the Paris Club - An intermediate written report to be sent to the chairman of the Paris Club before end-1986 on the status of discussions with banks and other creditors - Compliance with all conditions of this Agreed Minute	8/28/86-2/27/88	- Specific reference to an unchanged cutoff date in the event of a future rescheduling

1/ For purposes of this paper, grace period and maturity on rescheduled amounts of current maturities are defined to begin at the end of the consolidation period. In the case of arrears and late interest, they are measured from the beginning of the consolidation period.

Table 44. Uganda: Date of Agreed Minute: June 19, 1987

Chairmanship—Paris Club

Type of debt covered	Scope of Debt Relief		Estimated or actual amount consolidated (US\$ million)	Proportion of maturities covered and repayment schedule (In percent)	Repayment Terms 1/	
	Consolidation period				Grace period (Years)	Maturity = grace + repayment periods (Years)
a. Unpaid principal and interest due on official and officially guaranteed debts having an original maturity of more than one year, pursuant to a contract or other financial arrangement concluded before 7/01/81	a., b. 7/1/87-6/30/88		170 2/	a., b. 100 (of principal and interest)—in 18 equal semiannual payments starting 6/30/94 and ending 12/31/2002	6	14 6/12
	c. Arrears as at 6/30/87					
	d. Late interest accrued as at 6/30/87			c., d. 100 (of principal, interest, and late interest)—in 18 equal semiannual payments starting 6/30/93 and ending 12/31/2001	6	14 6/12
b. Unpaid principal and interest due as a result of the previous consolidations dated 11/18/81 and 12/01/82						
c. Arrears on debts mentioned in a., b. above						
d. Late interest on debt mentioned in a., b. above						

Undertakings in Agreed Minute						
Local currency counterpart	Deposit in special account	Bilateral deadline	Implementation of Agreed Minute		Period of Fund Arrangement	Other Comments
			Conditions for application of the provisions of the Agreed Minute	Conditions for a meeting to discuss future debt service obligations (goodwill clause)		
Yes	Yes	2/29/88	- Continued arrangement with the Fund under the Structural Adjustment Facility	- Continued arrangement with the Fund under the Structural Adjustment Facility or an arrangement including use of Fund resources subject to upper tranche conditionality - Effective arrangements with banks and other creditors meeting the conditions of the MFN and initiative clauses - To report in writing on the contents of the bilateral agreements reached with creditors not participating in the Paris Club - Compliance with all conditions of the Agreed Minute	Medium-term arrangement under the SAF covers 6/15/87-6/14/90, while the first annual arrangement covers 6/15/87-6/14/88	- Specific reference to an unchanged cutoff date in the event of a future rescheduling - Creditors judged that the country's low per capita income and heavy indebtedness warranted the application of an extended repayment period

1/ For purposes of this paper, grace period and maturity on rescheduled amounts of current maturities are defined to begin at the end of the consolidation period. In the case of arrears and late interest, they are measured from the beginning of the consolidation period.

2/ Based on creditor data; Uganda disputes the validity of some of these claims.

Table 45. Zaïre: Date of Agreed Minute: May 18, 1987

Chairmanship—Paris Club

Type of debt covered	Scope of Debt Relief		Estimated or actual amount consolidated (US\$ million)	Proportion of maturities covered and repayment schedule (In percent)	Repayment Terms ^{1/}	
	Consolidation period				Grace period (Years)	Maturity = grace + repayment periods (Years)
a. Unpaid principal and interest due on official and officially guaranteed debts having an original maturity of more than one year, pursuant to a contract or other financial arrangement concluded before 6/30/83	a., b. 4/01/87-5/14/88		671	a., b., c. 100 (of principal and interest)—in 18 equal semiannual payments starting 4/30/94 and ending 10/31/2002	a., b. 6	14 6/12
	c. Arrears as at 3/31/87				c. 7 1/12	15 7/12
b. Unpaid principal and interest due as a result of the previous consolidations dated 6/16/76, 7/07/77, 12/01/77, 12/11/79, 7/09/81, 12/20/83, and 9/18/85						
c. Arrears on debt mentioned in a., b. above						

Excludes debt service due as a result of the previous consolidation dated 5/15/86

Undertakings in Agreed Minute						
Local currency counterpart	Deposit in special account	Bilateral deadline	Implementation of Agreed Minute		Period of Stand-By Arrangement	Other Comments
			Conditions for application of the provisions of the Agreed Minute	Conditions for a meeting to discuss future debt service obligations (goodwill clause)		
Yes	Yes	12/31/87	- Continued upper credit tranche Fund arrangement	- Continued arrangement with the Fund subject to upper tranche conditionality - Effective arrangements with banks and other creditors meeting the conditions of the MFN and initiative clauses - To report in writing on the contents of the bilateral agreements reached with creditors not participating in the Paris Club - Compliance with all conditions of this Agreed Minute	5/15/87-5/14/88	- Specific reference to an unchanged cutoff date in the event of a future rescheduling - Creditors judged that the country's low per capita income and heavy indebtedness warranted the application of an extended repayment period

^{1/} For purposes of this paper, grace period and maturity on rescheduled amounts of current maturities are defined to begin at the end of the consolidation period. In the case of arrears and late interest, they are measured from the beginning of the consolidation period.