

1. Thailand - Stand-By Arrangement - Review and Modification

1. Thailand has consulted with the Fund in accordance with paragraph 4 of the stand-by arrangement for Thailand (EBS/85/128, Sup. 2, 6/18/85) and paragraph 28 of the letter of May 15, 1985 from the Minister of Finance and the Governor of the Bank of Thailand attached thereto, and has requested an extension of the stand-by arrangement to December 31, 1987.

2. The letter dated May 2, 1986 from the Minister of Finance and the Governor of the Bank of Thailand and annexed Technical Memorandum shall be attached to the stand-by arrangement, and the letter of May 15, 1985 and annexed Technical Memorandum shall be read as supplemented and modified by the letter of May 2, 1986 and annexed memorandum.

3. Accordingly,

- (a) the period of the stand-by arrangement is extended to December 31, 1987;
- (b) purchases under the arrangement shall not, without the consent of the Fund, exceed the equivalent of SDR 150 million until May 31, 1986; the equivalent of SDR 180 million until September 10, 1986; the equivalent of SDR 210 million until December 10, 1986; the equivalent of SDR 260 million until March 10, 1987; the equivalent of SDR 290 million until June 10, 1987; the equivalent of SDR 320 million until September 10, 1987; and the equivalent of SDR 350 million until December 10, 1987.
- (c) Thailand will not make purchases under this stand-by arrangement that would increase the Fund's holdings of Thailand's currency in the credit tranches beyond 25 percent of quota or increase the Fund's holdings of that currency resulting from purchases of borrowed resources beyond 12.5 percent of quota:
  - (i) during any period in which the data at the end of the related month indicate that the limit on domestic credit, the limit on net credit to the Central Government, the limit on net foreign assets of the banking system, or the limit on new external public debt commitments, as described in the annexed Technical Memorandum, is not observed; or
  - (ii) during any period after September 30, 1986, if the limit on the deficit of the Central Government described in the annexed Technical Memorandum is not observed; or

- (iii) during any period after February 28, 1987 and after June 30, 1987, respectively, until the reviews contemplated in paragraph 29 of the attached letter of May 2, 1986 have been completed and suitable performance criteria have been established for the remaining period of the arrangement, or, after such performance criteria have been established, while they are not being observed.

Decision No. 8300-(86/95), adopted  
June 9, 1986