

2. SOMALIA - OVERDUE FINANCIAL OBLIGATIONS -
REVIEW FOLLOWING DECLARATION OF INELIGIBILITY

1. The Fund has reviewed further the matter of Somalia's continuing failure to fulfill its financial obligations to the Fund in the light of the facts and developments described in EBS/90/176 (10/16/90).

2. The Fund deeply regrets the continuing failure of Somalia to fulfill its financial obligations to the Fund, which places a financial burden upon other members and reduces Fund resources needed to help others. The Fund notes the increase in Somalia's most recent monthly payment to US\$0.45 million and again urges Somalia to give the highest priority to increasing substantially its payments and to settling fully and promptly its overdue financial obligations to the Fund.

3. The Fund urges Somalia to adopt as a matter of urgency a comprehensive set of measures within the context of the intensified collaborative approach that would bring about necessary economic adjustment. The Fund continues to stand ready to assist the authorities in support of efforts to formulate and implement a comprehensive adjustment program.

4. In the absence of Somalia's active cooperation with the Fund in seeking a solution to the problem of its overdue financial obligations, the Fund decides that the Managing Director of the Fund shall communicate with all Governors of the Fund and the President of the African Development Bank regarding Somalia's continued failure to fulfill its financial obligations to the Fund.

5. The Fund will review the matter of Somalia's overdue financial obligations to the Fund again at the time of the 1990 Article IV consultation or not later than five months from the date of this decision, whichever is earlier, in the light of actions taken by Somalia in the meantime regarding payments to the Fund and

implementation of a comprehensive adjustment program. At the time of that review, in the event that Somalia has not resumed active cooperation with the Fund in seeking a solution to the problem of its overdue financial obligations to the Fund, the Fund may consider a declaration of noncooperation concerning Somalia.

Decision No. 9575-(90/154), adopted
October 26, 1990