

DOCUMENT OF INTERNATIONAL MONETARY FUND AND NOT FOR PUBLIC USE

EBS/76/112
Supplement 1

CONFIDENTIAL

May 7, 1976

To: Members of the Executive Board

From: The Managing Director

Subject: Mauritania - Purchase Transaction Under the Oil Facility
for 1975 and Call on Borrowing Agreement with Kuwait

This is to notify the Executive Directors that the request has been received from Mauritania for a purchase of Kuwaiti dinars equivalent to SDR 1,930,000 under the Oil Facility (Executive Board Decisions No. 4241-(74/67), adopted June 13, 1974, No. 4634-(75/47), adopted April 4, 1975, No. 4769-(75/133), adopted July 28, 1975, and No. 4986-(76/47), adopted March 18, 1976). The request relates to the purchase agreed by the Executive Board on March 31, 1976 (Executive Board Decision No. 5033-(76/55), adopted March 31, 1976). The purchase will increase the Fund's holdings of Mauritanian ouguiyas from 176.1 per cent to 190.9 per cent of the quota equivalent to SDR 13 million. Exclusive of this purchase and the amounts previously purchased under the Compensatory Financing Decision and the Oil Facility Decision, the Fund's holdings of Mauritanian ouguiyas would be at 100 per cent of the quota.

To meet the above-mentioned request to purchase, the Fund will borrow Kuwaiti dinars equivalent to SDR 1,930,000 under the borrowing agreement. At the request of the purchaser the Kuwaiti dinars are to be converted by the Central Bank of Kuwait into U.S. dollars under paragraph 2(b) of the borrowing agreement between the Central Bank of Kuwait and the Fund (Executive Board Decision No. 4941-(76/6), adopted January 21, 1976). After this transaction the full amount of the agreement with Kuwait has been utilized.

Both transfers have been arranged to take place on the same value date.