

FOR
AGENDA

EBS/82/177
Supplement 1

CONFIDENTIAL

October 18, 1982

To: Members of the Executive Board

From: The Acting Secretary

Subject: Solomon Islands - Purchase Transaction - Compensatory
Financing Facility

Attached is the request from Solomon Islands for a purchase equivalent to SDR 1,600,000 referred to in EBS/82/177 which contains the staff's analysis and recommendation. This subject is scheduled for consideration on Monday, October 25, 1982.

Att: (1)

INTERFUND WASHINGTON, D.C.
FROM SOLOMON ISLANDS MONETARY AUTHORITY

NO. 12

REFERENCE YOUR (CFF)NO. 13 OF OCTOBER 7, 1982.

1. AS FISCAL AGENCY FOR THE GOVERNMENT OF SOLOMON ISLANDS, WE DESIRE TO PURCHASE FROM THE INTERNATIONAL MONETARY FUND THE EQUIVALENT OF SDR 1,600,000 IN POUNDS STERLING IN ACCORDANCE WITH TERMS OF ARTICLE V, SECTIONS 3 AND 4 AND EXECUTIVE BOARD DECISION NO. 6224-(79/135), ADOPTED AUGUST 2, 1979. IN THIS CONNECTION WE STATE THAT WE WILL COOPERATE WITH THE INTERNATIONAL MONETARY FUND IN AN EFFORT TO FIND, WHERE REQUIRED, APPROPRIATE SOLUTIONS FOR THE BALANCE OF PAYMENTS DIFFICULTIES.
2. WE DO HEREBY REPRESENT THAT THIS PURCHASE IS NEEDED IN ACCORDANCE WITH THE PROVISIONS OF FUND AGREEMENT.
3. PLEASE ARRANGE PAYMENT OF POUNDS STERLING TO OUR ACCOUNT WITH BANK OF ENGLAND, LONDON ON VALUE DATE OF PURCHASE.
4. THE EQUIVALENT OF DESIRED PURCHASE NAMELY SOLOMON ISLANDS DOLLARS 1,646,900.43 WILL BE CREDITED TO FUND'S NO. 1 ACCOUNT WITH OURSELVES, ON THE VALUE DATE OF PURCHASE.
5. WE STATE THAT REPURCHASE IN RESPECT OF THIS PURCHASE SHALL BE MADE IN ACCORDANCE WITH ARTICLE V, SECTION 7 AND THE FUND'S POLICIES AND PRACTICES AT THE TIME OF REPURCHASE.
6. REGARDING SERVICE CHARGE, PLEASE DEBIT SOLOMON ISLANDS' SDR ACCOUNT WITH SDR 8,000 ON VALUE DATE OF PURCHASE.

Received in Cable Room October 15, 1982.