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**IMMEDIATE
ATTENTION**

EBD/82/235

October 1, 1982

To: Members of the Executive Board

From: The Secretary

Subject: The Gambia - Extension of Approval of Exchange Restriction

It is not proposed to bring the attached memorandum to the agenda of the Executive Board for discussion unless an Executive Director so requests by noon on Wednesday, October 6, 1982. In the absence of such a request, the draft decision will be deemed approved by the Executive Board and it will be so recorded in the minutes of the next meeting thereafter.

Att: (1)

Other Distribution:
Department Heads

INTERNATIONAL MONETARY FUND

THE GAMBIA

Extension of Approval of Exchange Restriction

Prepared by the African Department and the Exchange
and Trade Relations Department

(In consultation with the Legal Department)

Approved by J.B. Zulu and S. Kanesa-Thanan

October 1, 1982

In concluding the 1981 Article IV consultation with The Gambia, the Executive Board granted approval, until June 30, 1982, for the restriction arising from The Gambia's external payments arrears (Decision No. 6872-(81/84) adopted June 3, 1981. This restriction, as described in the documents for the 1981 Article IV consultation (SM/81/113 (5/13/81) and SM/81/124 (5/26/81)), was granted temporary approval in light of the intentions of the authorities to collaborate with the Fund to reduce gradually the restriction and to eliminate it as soon as the foreign exchange situation permitted. Approval was subsequently extended (Decision No. 7153-(82/92), adopted July 2, 1982) until completion of the mid-term review of The Gambia's 1982 stand-by arrangement with the Fund or September 30, 1982, whichever was the earlier. The report on the mid-term review, including a fuller discussion of the progress being made in reducing The Gambia's outstanding external arrears, which was expected to be placed on the Executive Board's agenda by end-September, is now expected to be placed on the agenda in November. In the meantime the staff recommends an extension of the Fund's approval of the restriction arising from these arrears until December 31, 1982 or completion of the mid-term review, whichever is the earlier. The following decision is therefore proposed for adoption by the Executive Board:

The approval of The Gambia's restriction arising from arrears on external payments under Decision No. 6872-(81/84) is extended until December 31, 1982 or completion of the mid-term review of the 1982 stand-by arrangement with the Fund, whichever is the earlier.