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CONFIDENTIAL

August 2, 1990

To: Members of the Executive Board

From: The Secretary

Subject: Operational Modalities of Voluntary Contributions and of the
Temporary Retention of Contributions Under Burden Sharing

The attached paper on operational modalities of voluntary contributions and of the temporary retention of contributions under burden sharing will be brought to the agenda for discussion on a date to be announced. A summary of conclusions appears on pages 16 and 17.

Mr. Keuppens (ext. 7813) or Mr. Kincaid (ext. 7356) is available to answer technical or factual questions relating to this paper prior to the Board discussion.

Att: (1)

CONFIDENTIAL

INTERNATIONAL MONETARY FUND

Operational Modalities of Voluntary Contributions and of
the Temporary Retention of Contributions under Burden Sharing

Prepared by the Treasurer's and the
and the Exchange and Trade Relations Departments

(In consultation with the Legal Department)

Approved by Gerhard Laske and J. T. Boorman

August 1, 1990

I. Introduction

In its meeting in May 1990, the Interim Committee

"... warmly welcomed the proposal for voluntary contributions to this effort by members whose contributions under these mechanisms are not commensurate with those of member countries participating in burden sharing. The Committee considered that such voluntary contributions would complement efforts to support appropriate adjustment policies in countries with protracted arrears and would be fully in keeping with the cooperative nature of the institution. The Committee therefore called upon those members ready to make such contributions to do so expeditiously."

In addition, the Committee

"...noted that the Executive Board is considering a proposal under which individual contributors under the existing mechanism for coverage of deferred charges would agree that accumulated balances be retained temporarily in the Fund following settlement of those deferred charges."

These proposals, together with the extension of the mechanism for the sharing of the financial consequences which stem from overdue financial obligations to the Fund, are intended to contribute towards a solution of the problem of protracted arrears to the Fund by facilitating the successful implementation of the intensified collaborative approach and by further strengthening the Fund's financial position. The present paper elaborates on measures to implement these proposals. Section II summarizes possible operational modalities of a system of

voluntary contributions to make possible a wider sharing of these costs associated with arrears. Section III discusses the implementation and consequences of temporarily retaining in the Fund the contributions to offset deferred charges under burden sharing beyond the time of settlement, i.e., beyond the date originally established for distribution to members that had paid additional charges or that had received reduced remuneration. Section IV summarizes the results of the discussion in the paper.

II. Operational Modalities of a System of Voluntary Contributions To Burden Sharing

Executive Directors will recall that the proposal to supplement the burden sharing mechanism with voluntary contributions, which was originally put forward by Mr. Arora, proposes that members whose contribution to burden sharing, in relation to their quotas, is below that of other member countries might wish to consider a voluntary contribution. 1/

Under the existing method of burden sharing as well as under the extension recently adopted, debtor and creditor members share paying (i) an amount equal to the charges deferred and due from members with protracted arrears; (ii) an annual allocation to the existing Special Contingent Account (SCA-1) of 5 percent of reserves at the beginning of the year, amounting to SDR 70 million in FY 1991; and (iii) an allocation, over a period of approximately five years, of SDR 1 billion to a new Special Contingent Account (SCA-2). The contribution to SCA-1 and deferred charges are shared equally among members paying charges and members receiving remuneration, while contributions to SCA-2 are shared in a ratio of one to three, subject to the limit prescribed by the Articles of Agreement for the rate of remuneration.

Since the sharing of the costs of overdue obligations to the Fund is administered through adjustments to charges and remuneration, these costs are borne by members using Fund credit and by the members whose currencies are used to finance that use, in proportion to balances subject to charges on ordinary resources and to remunerated positions. Members that neither are making use of the Fund's ordinary resources nor hold a remunerated position do not participate in the sharing of the financial consequences of overdue obligations to the Fund. 2/ It is in this context and in the course of the discussion of financing that might be available to facilitate the intensified collaborative

1/ Contributions to burden sharing since the adoption of the system are shown in Appendix Table 1.

2/ At the end of FY 1990, 37 members accounting for 7.7 percent of quotas neither paid charges nor received remuneration.

approach that the proposal of voluntary contributions to burden sharing arose.

III. Implementation of Voluntary Burden Sharing

For the implementation of voluntary contributions to burden sharing, a number of partly technical questions need to be considered. These relate to (i) the amount of the voluntary contribution and the timing of its determination; and (ii) their administration; and (iii) their purpose and use.

1. Size of Voluntary Contribution

Mr. Arora' proposal, supported by a number of other Executive Directors, envisaged that in order to achieve a more equitable sharing of the burden associated with arrears, Fund members that had not fully participated in burden sharing would make voluntary contributions, shared on the basis of quotas, to a pool of resources that could be used in the context of the intensified collaborative strategy. 1/ In the course of the discussion, it was generally agreed that relatively simple and clear-cut criteria would be needed to indicate the amount of voluntary contributions that might be considered appropriate, and the Managing Director suggested that all members contributing, in the period 1990-92, less than 1 percent of their new quota under the burden sharing mechanism, taking into account unremunerated balances, would be invited to contribute to an administered account an amount that would bring each of their contributions to this target. 2/ On this basis, calculations were provided by the staff, based on the Managing Director's proposals and on an increase of Fund quotas to SDR 150 billion. 3/ As noted earlier, this proposal was warmly welcomed by the Interim Committee at its Spring Meeting in May.

The calculations have now been updated for FY 1991 in the light of the understandings reached in the Interim Committee, including the agreed increase in Fund quotas and the establishment of SCA-2. 4/ The revised calculations are shown in Table 1. They project contributions in FY 1991 to SCA-1 and SCA-2 and deferred charges and, as had been

1/ See Informal Session No. 90/5 (1/30/90) and "Overdue Financial Obligations to the Fund - Outline of Mr. Arora's Suggestion and Possible Variants" (EBS/90/23, 2/13/90).

2/ See "Statement by the Managing Director on Overdue Financial Obligations to the Fund--Further Considerations", Executive Board Meeting 90/24 on February 23, 1990 (Buff 90/45, 2/22/90) and "Statement by the Managing Director on the Strengthened Cooperative Strategy on Overdue Financial Obligations to the Fund", Executive Board Meeting 90/37 on March 16, 1990 (Buff 90/58, 3/15/90).

3/ See "Burden Sharing: Voluntary Loans" (EBS/90/49, 3/16/90).

4/ See Executive Board Decision No. 9471-(90/98), 6/20/90.

Table 1. Estimated Distribution of Voluntary Contributions by Member
for the Financial Year ended April 30, 1991

(In millions of SDR and Percent)

	Proposed Quota (1)	Burden Sharing Contribution 1/			Imputed Cost of Unremunerated Reserve Tranche Position 2/ (5)	Total Contribution (2)+(3) +(4)+(5) (6)	Calculated Contribution Based on Quota 3/ (7)	Calculated Voluntary Contribution (7)-(6) (8)	Member's	Member's Share in Quotas (in percent) (10)
		Allocation to SCA-1 (2)	Allocation to SCA-2 (3)	Deferred Charges (4)					Share in Total Contributions (6)+(8) (in percent) (9)	
Afghanistan	120.4	--	--	--	--	0.40	0.40	0.07	0.09	
Algeria	914.4	1.14	1.63	2.57	--	5.34	3.05	0.92	0.68	
Angola	207.3	--	--	--	--	0.69	0.69	0.12	0.15	
Antigua and Barbuda	8.5	--	--	--	--	0.03	0.03	0.00	0.01	
Argentina	1,537.1	2.94	4.20	6.60	--	13.74	5.12	2.38	1.14	
Australia	2,333.2	0.18	0.76	0.40	2.91	4.25	7.78	3.52	1.34	1.73
Austria	1,188.3	0.42	1.82	0.95	0.30	3.50	3.96	0.46	0.68	0.88
Bahamas, The	94.9	0.01	0.04	0.02	--	0.06	0.32	0.25	0.05	0.07
Bahrain	82.8	0.06	0.26	0.13	--	0.45	0.28	--	0.08	0.06
Bangladesh	392.5	0.75	1.07	1.68	--	3.50	1.31	--	0.61	0.29
Barbados	48.9	0.00	0.00	0.00	--	0.00	0.16	0.16	0.03	0.04
Belgium	3,102.3	0.36	1.53	0.80	--	2.69	10.34	7.65	1.79	2.29
Belize	13.5	0.01	0.02	0.01	0.01	0.04	0.04	0.00	0.01	0.01
Benin	45.3	--	--	--	--	--	0.15	0.15	0.03	0.03
Bhutan	4.5	0.00	0.00	0.00	--	0.01	0.01	0.01	0.00	0.00
Bolivia	126.2	0.23	0.33	0.52	--	1.08	0.42	--	0.19	0.09
Botswana	36.6	0.04	0.17	0.09	--	0.29	0.12	--	0.05	0.03
Brazil	2,170.8	3.23	4.62	7.26	--	15.11	7.24	--	2.61	1.61
Burkina Faso	44.2	0.01	0.04	0.02	0.06	0.13	0.15	0.02	0.03	0.03
Burundi	57.2	0.01	0.04	0.02	0.11	0.18	0.19	0.01	0.03	0.04
Cameroon	135.1	0.31	0.29	0.46	--	0.96	0.45	--	0.17	0.10
Canada	4,320.3	0.28	1.20	0.63	2.86	4.96	14.40	9.44	2.49	3.20
Cape Verde	7.0	--	--	--	--	--	0.02	0.02	0.00	0.01
Central African Rep.	41.2	0.01	0.02	0.03	--	0.05	0.14	0.08	0.02	0.03
Chad	41.3	0.00	0.01	0.01	--	0.02	0.14	0.12	0.02	0.03
Chile	621.7	1.29	1.85	2.91	--	6.05	2.07	--	1.05	0.46
China	3,385.2	1.64	3.41	3.69	--	8.75	11.28	2.54	1.95	2.50
Colombia	561.3	--	--	--	--	--	1.87	1.87	0.32	0.42
Comoros	6.5	--	--	--	--	--	0.02	0.02	0.00	0.00
Congo	57.9	0.02	0.02	0.04	--	0.08	0.19	0.11	0.03	0.04

Table 1. Estimated Distribution of Voluntary Contributions by Member
for the Financial Year ended April 30, 1991

(In millions of SDR and Percent)

	Proposed Quota (1)	Burden Sharing Contribution 1/ Allocation to SCA-1			Imputed Cost of Unremunerated Reserve Tranche Position 2/ (5)	Total Contribution (2)+(3) +(4)+(5) (6)	Calculated Contribution Based on Quota 3/ (7)	Calculated Voluntary Contribution (7)-(6) (8)	Member's Share in Total Contributions (6)+(8) (in percent) (9)	Member's Share in Quotas (in percent) (10)
		(2)	(3)	Allocation to SCA-2 Deferred Charges (4)						
Costa Rica	119.0	0.01	0.02	0.03	--	0.05	0.40	0.34	0.07	0.09
Cote d'Ivoire	238.2	0.41	0.59	0.93	--	1.93	0.79	--	0.33	0.18
Cyprus	100.0	0.02	0.11	0.06	0.07	0.25	0.33	0.08	0.06	0.07
Denmark	1,069.9	0.37	1.60	0.84	0.56	3.37	3.57	0.19	0.62	0.79
Djibouti	11.5	0.00	0.01	0.00	0.00	0.01	0.04	0.02	0.01	0.01
Dominica	6.0	0.00	0.01	0.01	--	0.02	0.02	0.00	0.00	0.00
Dominican Republic	158.8	0.16	0.24	0.37	--	0.77	0.53	--	0.13	0.12
Ecuador	219.2	0.37	0.52	0.82	--	1.71	0.73	--	0.30	0.16
Egypt	678.4	0.28	0.40	0.63	--	1.32	2.26	0.94	0.39	0.50
El Salvador	125.6	--	--	--	--	--	0.42	0.42	0.07	0.09
Equatorial Guinea	24.3	0.00	0.01	0.01	--	0.02	0.08	0.06	0.01	0.02
Ethiopia	98.3	0.04	0.06	0.10	--	0.20	0.33	0.13	0.06	0.07
Fiji	51.1	0.01	0.04	0.02	0.02	0.10	0.17	0.07	0.03	0.04
Finland	861.8	0.29	1.22	0.64	--	2.15	2.87	0.72	0.50	0.64
France	7,414.6	1.46	6.25	3.27	0.39	11.36	24.71	13.35	4.27	5.48
Gabon	110.3	0.11	0.15	0.24	--	0.49	0.37	--	0.08	0.08
Gambia, The	22.9	0.02	0.03	0.05	--	0.10	0.08	--	0.02	0.02
Germany	8,241.5	4.04	17.32	9.08	--	30.44	27.47	--	5.26	6.10
Ghana	274.0	0.19	0.27	0.42	--	0.87	0.91	0.04	0.16	0.20
Greece	587.6	0.11	0.47	0.24	0.13	0.95	1.96	1.01	0.34	0.43
Grenada	8.5	--	--	--	--	--	0.03	0.03	0.00	0.01
Guatemala	153.8	0.11	0.16	0.24	--	0.51	0.51	0.00	0.09	0.11
Guinea	78.7	0.04	0.05	0.08	--	0.17	0.26	0.09	0.05	0.06
Guinea-Bissau	10.5	--	--	--	--	--	0.03	0.03	0.01	0.01
Guyana	67.2	0.10	0.14	0.22	--	0.47	0.22	--	0.08	0.05
Haiti	60.7	0.04	0.06	0.09	--	0.19	0.20	0.01	0.03	0.04
Honduras	95.0	0.02	0.03	0.04	--	0.09	0.32	0.23	0.05	0.07
Hungary	754.8	0.24	0.34	0.53	--	1.10	2.52	1.41	0.43	0.56
Iceland	85.3	--	--	--	--	--	0.28	0.28	0.05	0.06
India	3,055.5	2.91	5.78	6.53	4.72	19.94	10.18	--	3.45	2.26

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		Allocation to SCA-1 (2)	Allocation to SCA-2 (3)	Deferred Charges (4)						
Indonesia	1,497.6	1.14	1.68	2.56	--	5.38	4.99	--	0.93	1.11
Iran, Islamic Rep Of	1,078.5	--	--	--	--	--	3.59	3.59	0.62	0.80
Iraq	864.8	--	--	--	--	--	2.88	2.88	0.50	0.64
Ireland	525.0	0.21	0.89	0.46	0.17	1.72	1.75	0.03	0.30	0.39
Israel	666.2	--	--	--	--	--	2.22	2.22	0.38	0.49
Italy	4,590.7	1.88	8.04	4.21	0.85	14.98	15.30	0.32	2.64	3.40
Jamaica	200.9	0.38	0.55	0.86	--	1.78	0.67	--	0.31	0.15
Japan	8,241.5	4.91	21.03	11.02	--	36.95	27.47	--	6.39	6.10
Jordan	121.7	0.16	0.23	0.36	--	0.75	0.41	--	0.13	0.09
Kampuchea, Democratic	25.0	0.03	0.04	0.07	--	0.14	0.08	--	0.02	0.02
Kenya	199.4	0.30	0.43	0.67	0.02	1.43	0.66	--	0.25	0.15
Kiribati	4.0	--	--	--	--	--	0.01	0.01	0.00	0.00
Korea	799.6	0.41	1.74	0.91	--	3.06	2.67	--	0.53	0.59
Kuwait	995.2	0.25	1.07	0.56	--	1.89	3.32	1.43	0.57	0.74
Lao People's Dem Rep	39.1	--	--	--	--	--	0.13	0.13	0.02	0.03
Lebanon	146.0	0.04	0.16	0.08	--	0.28	0.49	0.20	0.08	0.11
Lesotho	23.9	0.00	0.00	0.00	0.00	0.00	0.08	0.08	0.01	0.02
Liberia	96.2	0.20	0.28	0.44	--	0.92	0.32	--	0.16	0.07
Libya	817.6	0.54	2.30	1.21	--	4.04	2.73	--	0.70	0.60
Luxembourg	135.5	0.02	0.07	0.04	--	0.12	0.45	0.33	0.08	0.10
Madagascar	90.4	0.08	0.11	0.18	--	0.37	0.30	--	0.06	0.07
Malawi	50.9	0.05	0.08	0.12	--	0.25	0.17	--	0.04	0.04
Malaysia	832.7	0.29	1.24	0.65	0.09	2.26	2.78	0.51	0.48	0.62
Maldives	5.5	--	--	--	--	--	0.02	0.02	0.00	0.00
Mali	68.9	0.04	0.08	0.09	0.12	0.32	0.23	--	0.06	0.05
Malta	67.5	0.04	0.18	0.09	0.02	0.34	0.22	--	0.06	0.05
Mauritania	47.5	0.06	0.08	0.12	--	0.26	0.16	--	0.04	0.04
Mauritius	73.3	0.02	0.03	0.04	--	0.08	0.24	0.16	0.04	0.05
Mexico	1,753.3	5.52	7.09	12.40	--	25.01	5.84	--	4.46	1.30
Morocco	427.7	0.50	0.72	1.13	--	2.35	1.43	--	0.41	0.32

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(In millions of SDR and Percent)

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		Allocation to SCA-1 (2)	Allocation to SCA-2 (3)	Deferred Charges (4)						
Mozambique, Peo.Rep	84.0	--	--	--	--	--	0.28	0.28	0.05	0.06
Myanmar	184.9	--	--	--	--	--	0.62	0.62	0.11	0.14
Nepal	52.0	0.03	0.07	0.08	0.00	0.18	0.17	--	0.03	0.04
Netherlands	3,444.2	0.75	3.20	1.68	--	5.62	11.48	5.86	1.98	2.55
New Zealand	650.1	--	--	--	0.54	0.54	2.17	1.63	0.37	0.48
Nicaragua	96.1	--	--	--	--	--	0.32	0.32	0.06	0.07
Niger	48.3	0.03	0.07	0.06	0.04	0.20	0.16	--	0.04	0.04
Nigeria	1,281.6	--	--	--	--	--	4.27	4.27	0.74	0.95
Norway	1,104.6	0.82	3.50	1.83	0.20	6.34	3.68	--	1.10	0.82
Oman	119.4	0.06	0.24	0.13	--	0.42	0.40	--	0.07	0.09
Pakistan	758.2	0.93	1.33	2.09	--	4.35	2.53	--	0.75	0.56
Panama	149.6	0.18	0.26	0.41	--	0.85	0.50	--	0.15	0.11
Papua New Guinea	95.3	--	--	--	--	--	0.32	0.32	0.05	0.07
Paraguay	72.1	0.02	0.07	0.04	0.07	0.19	0.24	0.05	0.04	0.05
Peru	466.1	1.12	1.60	2.52	--	5.24	1.55	--	0.91	0.34
Philippines	633.4	1.25	1.79	2.81	0.21	6.07	2.11	--	1.05	0.47
Poland	988.5	0.41	0.59	0.93	--	1.93	3.29	1.37	0.57	0.73
Portugal	557.6	0.17	0.74	0.39	--	1.30	1.86	0.56	0.32	0.41
Qatar	190.5	0.03	0.13	0.07	--	0.23	0.63	0.40	0.11	0.14
Romania	754.1	--	--	--	--	--	2.51	2.51	0.43	0.56
Rwanda	59.5	0.01	0.02	0.01	0.10	0.14	0.20	0.06	0.03	0.04
St.Kitts and Nevis	6.5	--	--	--	--	--	0.02	0.02	0.00	0.00
St. Lucia	11.0	--	--	--	--	--	0.04	0.04	0.01	0.01
St. Vincent	6.0	--	--	--	--	--	0.02	0.02	0.00	0.00
Sao Tome and Principe	5.5	--	--	--	--	--	0.02	0.02	0.00	0.00
Saudi Arabia	5,130.6	0.93	3.97	2.08	--	6.97	17.10	10.13	2.96	3.79
Senegal	118.9	0.10	0.14	0.22	--	0.45	0.40	--	0.08	0.09
Seychelles	6.0	--	--	--	--	--	0.02	0.02	0.00	0.00
Sierra Leone	77.2	0.10	0.14	0.23	--	0.47	0.26	--	0.08	0.06
Singapore	357.6	0.16	0.68	0.36	0.14	1.34	1.19	--	0.23	0.26

Table 1. Estimated Distribution of Voluntary Contributions by Member
for the Financial Year ended April 30, 1991

(In millions of SDR and Percent)

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		Allocation to SCA-1 (2)	Allocation to SCA-2 (3)	Deferred Charges (4)						
Solomon Islands	7.5	0.00	0.00	0.01	--	0.01	0.02	0.01	0.00	0.01
Somalia	60.9	0.10	0.14	0.23	--	0.47	0.20	--	0.08	0.05
South Africa	1,365.4	--	--	--	--	--	4.55	4.55	0.79	1.01
Spain	1,935.4	1.71	7.34	3.85	--	12.90	6.45	--	2.23	1.43
Sri Lanka	303.6	0.38	0.54	0.85	--	1.76	1.01	--	0.30	0.22
Sudan	233.1	0.74	1.06	1.67	--	3.47	0.78	--	0.60	0.17
Suriname	67.6	--	--	--	--	--	0.23	0.23	0.04	0.05
Swaziland	36.5	--	--	--	--	--	0.12	0.12	0.02	0.03
Sweden	1,614.0	0.41	1.74	0.91	--	3.05	5.38	2.33	0.93	1.19
Syrian Arab Republic	209.9	--	--	--	--	--	0.70	0.70	0.12	0.16
Tanzania	146.9	0.09	0.13	0.21	--	0.43	0.49	0.06	0.08	0.11
Thailand	573.9	--	--	--	--	--	1.91	1.91	0.33	0.42
Togo	54.3	0.02	0.03	0.05	--	0.10	0.18	0.08	0.03	0.04
Tonga	5.0	0.00	0.00	0.00	0.00	0.01	0.02	0.01	0.00	0.00
Trinidad and Tobago	246.8	0.46	0.65	1.02	--	2.13	0.82	--	0.37	0.18
Tunisia	206.0	0.45	0.65	1.02	--	2.12	0.69	--	0.37	0.15
Turkey	642.0	--	--	--	--	--	2.14	2.14	0.37	0.47
Uganda	133.9	0.12	0.17	0.27	--	0.57	0.45	--	0.10	0.10
United Arab Emirates	392.1	0.30	1.27	0.66	--	2.23	1.31	--	0.39	0.29
United Kingdom	7,414.6	1.14	4.89	2.56	16.90	25.48	24.71	--	4.40	5.48
United States	26,526.8	11.29	48.38	25.35	17.39	102.40	88.41	--	17.70	19.62
Uruguay	225.3	0.12	0.18	0.28	--	0.58	0.75	0.17	0.13	0.17
Vanuatu	12.5	0.00	0.01	0.00	0.01	0.02	0.04	--	0.01	0.01
Venezuela	1,951.3	2.26	3.22	5.07	--	10.55	6.50	--	1.82	1.44
Viet Nam	241.6	0.07	0.10	0.15	--	0.32	0.81	0.48	0.14	0.18

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Table 1. Estimated Distribution of Voluntary Contributions by Member
for the Financial Year ended April 30, 1991

(In millions of SDR and Percent)

	Proposed Quota (1)	Burden Sharing Contribution 1/			Imputed Cost of Unremunerated Reserve Tranche Position 2/ (5)	Total Contribution (2)+(3) +(4)+(5) (6)	Calculated Contribution Based on Quota 3/ (7)	Calculated Voluntary Contribution (7)-(6) (8)	Member's Share in Total Contributions (6)+(8) (in percent) (9)	Member's Share in Quotas (in percent) (10)
		Allocation to SCA-1 (2)	Allocation to SCA-2 (3)	Deferred Charges (4)						
Western Samoa	8.5	0.00	0.00	0.00	--	0.00	0.03	0.03	0.00	0.01
Yemen Arab Republic	70.8	--	--	--	--	--	0.24	0.24	0.04	0.05
Yemen, Peo. Dem.Rep.	105.7	--	--	--	--	--	0.35	0.35	0.06	0.08
Yugoslavia	918.3	0.51	0.73	1.15	--	2.39	3.06	0.67	0.53	0.68
Zaire	394.8	0.50	0.72	1.13	--	2.36	1.32	--	0.41	0.29
Zambia	363.5	0.99	1.41	2.22	--	4.61	1.21	--	0.80	0.27
Zimbabwe	261.3	--	--	--	--	--	0.87	0.87	0.15	0.19
Totals	135,214.7	70.00	200.00	157.18	49.00	476.18	450.67	102.42	100.00	100.00

1/ Based on members positions at April 30, 1990 and estimated burden sharing contributions in FY 1991; contributions for SCA-1 are shared equally between debtor and creditor members to generate an annual amount of 5 percent of reserves; contributions for SCA-2 are based on a further adjustment to the rate of charge of 35 basis points and further adjustment to the rate of remuneration, subject to the floor of 80 percent of the remuneration coefficient, to generate three times the amount of the proceeds of the adjustment to the rate of charge; estimated contributions to offset deferred charges for FY 1991 nonpayment of two-thirds of charges due by the eleven members with protracted arrears at the end of FY 1990.

2/ An annual cost is imputed at 9 percent, based on the member's unremunerated reserve tranche that exceeds the norm (8.3 percent of quota).

3/ Annual contribution is calculated based on 0.33 percent of proposed quota.

proposed during the earlier discussions, take into account unremunerated positions. 1/

While some of the data in Table 1 can be projected with some accuracy--particularly the contributions to SCA-1 (Column 2) and, to a lesser degree, those to SCA-2 (Column 3)--others will be affected by developments during the year. In particular, the amount of charges that will have to be deferred in FY 1991 can only be projected on the basis of highly uncertain hypotheses. In view of the impending implementation of rights accumulation programs, the customary conservative projection (i.e. that no charges would be collected from members in non-accrual status) appears inappropriate. Therefore, the projections assume settlement, on average and over the year, of about one-third of charges falling due from members with protracted arrears at the end of FY 1990 (Column 4). 2/ As in the earlier calculations, the difference in unremunerated reserve tranche positions are taken into account by a credit, at the SDR rate of interest, for that part of the unremunerated reserve tranche position that exceeds the average norm of Fund members (Column 5). 3/ The aggregate of these projections represents total projected contributions for FY 1991 (Column 6).

As mentioned earlier, an amount of one percent of new quotas for the period 1990-1992 has been suggested as a guideline for a more equitable sharing of the burden. 4/ Such an objective would imply annual contribution of one-third of one percent of new quotas, and this

1/ See Informal Meeting 90/12 (2/14/90) and "Statement of the Managing Director on the Strengthened Cooperative Strategy" (Buff 90/58, 3/15/90). The influence of unremunerated reserve positions on a member's contribution to burden sharing can best be elaborated by way of an example. Suppose two members with the same quota (say, SDR 1 billion) and the same total reserve position in the Fund (say, SDR 300 million) of which member A has a relatively low norm (say, 90 percent) and the other a comparatively high one (say 97 percent). Based on the assumptions underlying Table 1, members A and B would make burden shared contributions of SDR 3.4 million and SDR 4.2 million respectively, and put at the Fund's disposal unremunerated amounts of their currency of SDR 100 million and SDR 30 million. At an SDR rate of 9 percent, the opportunity cost of these unremunerated amounts would be SDR 9 million and SDR 2.7 million.

2/ To the extent that less charges would need to be deferred, the amount of burden sharing for deferred charges would be smaller and the calculated amount of voluntary contributions would be larger. If half of the amount of charges due by members with protracted arrears at the end of 1989 would be settled, the calculated voluntary contributions would increase from SDR 102 million to SDR 110 million.

3/ See "Burden Sharing - Voluntary Loans" (EBS/90/49, 3/16/90).

4/ Statement by the Managing Director on the Strengthened Cooperative Strategy on Overdue Financial Obligations to the Fund at Executive Board Meeting 90/37 -- March 16, 1990 (Buff 90/58, 3/15/90).

has been used as a basis for comparison in Table 1 (Column 7). This percentage is about equal to the total estimated contribution under burden sharing, taking into account the imputed cost of the unremunerated reserve tranche. The "Calculated Voluntary Contribution" (Column 8) then represents the difference between the total 'actual' contribution (Column 6) and the calculated voluntary contribution based on new quotas (Column 7); for FY 1991 these calculated contributions would total SDR 102.4 million. For comparison, members' shares in 'actual' plus voluntary contributions and their shares in quotas are also included (Columns 9 and 10).

As has been discussed earlier, the amount of 'actual' contributions used in the calculations in Table 1 are based on a number of more or less reliable projections rather than on actual data. It would, of course, have been possible to base the calculations on actual data for last year (FY 1990), but this would not allow the taking into account of the substantial contributions to the SCA-2 expected in FY 1991. It would also be possible to do the calculations retrospectively using actual data, say at the end of the financial year or of each quarter, and to determine the voluntary contributions ex post. However, annual projections based on reasonable assumptions might be considered sufficiently indicative for the purpose of determining the size of voluntary contributions. The staff would recommend this latter procedure for consideration by the Executive Board.

2. Administration of Voluntary Contributions

It is intended that the voluntary contributions be made to a new administered account to be established by the Fund under Article V, Section 2 (b). Contributions to that Account (the Voluntary Contributions Account) would take the form of loans, at zero or highly concessional rates of interest. Pending use, the resources of the account would be invested, and the net earnings would also be available for loans to eligible members. Assets and liabilities of the Account would be separate from the Fund's general resources or other assets and liabilities. The loans would have a maturity that corresponded to the maturity of the loans extended by the Account. To the extent that there were delays in the repayment of loans extended by the Account, repayments by the Account would be similarly delayed. 1/ Loans to the Account thus would be subject to a degree of risk, which is similar to

1/ There could, of course, be differences in the terms of voluntary loans to the Account, although this could have implications for the distribution of costs and risks among the contributors as well as complicate the administration of the Account.

the risks borne by members that participate in burden sharing to offset deferred charges and for additions to SCA-1 and SCA-2. 1/

3. Purpose and Use of Voluntary Contributions

The loan proceeds and any earnings on temporary investment of them would permit the Voluntary Contribution Account to make loans to members in arrears in connection with a Fund-monitored program or a rights accumulation program. The suggestion originally put forward by Mr. Arora was to seek voluntary contributions from members, shared on a quota basis, to a resource pool that could be used to assist members with protracted overdue financial obligations to the Fund in keeping current on the amounts falling due to the Fund during a Fund-monitored program, or a rights accumulation program. As a reference point for this discussion, projected forthcoming obligations of the nine members in protracted arrears at end-June 1990, are reproduced below.

	Repurchases <u>2/</u>	Charges <u>3/</u>	Total
<u>(In millions of SDRs)</u>			
Amounts falling due during: <u>1/</u>			
1990/91	233	341	574
1991/92	84	323	407
1992/93	<u>45</u>	<u>317</u>	<u>362</u>
Total 1990/91-1992/93	362	981	1,343

1/ The twelve-month period July to June.

2/ "Repurchases" include repurchase obligations to the General Resources Account, and loan repayments due to the Trust Fund, and the SAF.

3/ "Charges" include regular and special charges due to the GRA, and interest on SDRs, Trust Fund loans and SAF loans. Charges are projected on the basis of interest rates applicable in mid-1990 and on the assumption that arrears are frozen at their level at end-June 1990.

1/ An alternative that would avoid any element of risk would restrict use to the interest earnings of the Account, as had been discussed in the earlier staff paper ("Overdue Financial Obligations to the Fund--Outline of Mr. Arora's Suggestion and Possible Variants," EBS/90/23, 2/13/90). However, in these circumstances contributions to the Account would have to be of much larger scale in order to allow meaningful support from the Account.

For a variety of reasons, these figures do not represent a target for resources to be mobilized under the Arora proposal. One, some members may clear their overdue financial obligations to the Fund without the intermediate step of a Fund-monitored program or rights accumulation program, and other members may not take advantage of the intensified collaborative approach. Two, the member itself would be expected to make serious efforts to generate its own resources to help meet the obligations falling due to the Fund, while the international financial community would be expected to support the member's adjustment efforts through various other channels (e.g., Paris Club, Consultative Group, Support Groups).

Joint efforts by the member in arrears and the international financial community will remain the principal basis for a member keeping current during the period of a Fund-monitored program or a rights accumulation program. But the Arora proposal would be an important complement to these efforts. For example, even if all nine countries in protracted arrears were to qualify for support from this scheme and if the calculated contributions were received in full at the beginning of each annual period, these contributions would cover an increasing proportion of obligations falling due in each year, rising from 19 percent in 1991/92 to 28 percent in 1993/94.

It is proposed that eligibility for assistance under this proposal be limited to the nine members in protracted arrears at end-June 1990 and that disbursements would take place only in the context of a Fund-monitored program or rights accumulation program that had been endorsed by the Executive Board. A clear statement at this stage of principles for possible disbursements could facilitate contributions and improve estimates of available resources to support the member's growth-oriented adjustment program. The maximum financial support from the administered account for an individual member presently in protracted arrears could be limited by that member's share of amounts falling due to the Fund in the total amount falling due to the nine countries currently in protracted arrears. This share would need to be scaled by actual contributions to the administered account. Provision could be made, as indicated in the earlier staff paper on the Arora proposal, that the account's loan operation would not commence until contributions had reached a certain "critical mass"--say three quarters of the annual voluntary calculated contributions. Such a provision would help ensure that the scheme's objectives concerning quota-based burden sharing and financing were achieved. A review of amounts available for disbursement would seem appropriate at the time when this critical mass is achieved.

At the time of such a review, the number of members with Fund-monitored programs or rights accumulation programs could be fewer than the eligible nine. Two disbursement possibilities would exist--increase the amounts available for members with Fund-monitored programs/rights accumulation programs or retain, or " earmark", balances against possible future use by eligible members. This latter approach

would also have certain of the characteristics of an escrow account. Over time, at subsequent reviews of the financial position of the administered account, the proposed earmarking of balances could be eliminated should a member clear its arrears directly without recourse to a Fund-monitored program/rights accumulation program, or should a member reach a certain point in the ladder of remedial measures (e.g., resolution on compulsory withdrawal or suspension of voting and related rights when the third amendment is adopted). These resources could then be used, at Management's discretion, to further assist as needed members that were performing satisfactorily under a Fund-monitored, or rights accumulation, program.

IV. Temporary Retention of Burden Sharing Contributions

The second proposal further to strengthen the Fund's financial position relates to the temporary retention of contributions made in the past to burden sharing in respect of deferred charges. Under the present decision on the implementation of burden sharing, quarterly adjustments are made to the rates of charge and of remuneration to generate, inter alia, an amount equal to charges that are deferred during a quarter. When deferred charges are discharged, the proceeds of the settlement are distributed to the members that paid additional charges or received reduced remuneration. It is now proposed that members entitled to such "refunds" would be invited to allow the Fund to temporarily retain the proceeds of these settlements.

Deferred charges presently outstanding and covered by burden sharing amount to SDR 731.7 million; 1/ in the absence of payments by members currently in protracted arrears, these deferred charges increase at a rate of about SDR 55 million per quarter, depending on the level of the rate of charge. The amount that might become available through the retention of refunds would depend on progress under the collaborative strategy and the consequent discharge of deferred charges, which cannot be projected with certainty. 2/ Three alternative methods for temporarily retaining these resources in the Fund might be considered:

1. Delayed refund

Members entitled to a distribution upon the discharge of deferred charges could indicate to the Fund their willingness to postpone receipt of the distribution until a later date. The proceeds of the

1/ Details are shown in Appendix Table 2. Deferred charges of SDR 34.7 million that were subject to burden sharing were discharged during the first quarter of the financial year, and are still held in the General Department pending distribution after the end of the quarter.

2/ Such settlements amounted to SDR 42.8 million in FY 1990.

payment of deferred charges would be kept in the General Resources Account, and the obligation to refund as a result of the settlement of deferred charges be recorded as a liability to the members that had paid higher charges or received lower remuneration when the charges were deferred. In view of the goal to achieve greater equity in the sharing of the burden occasioned by overdue obligations, the date of repayment could take into account the timing of repurchases of Fund credit related to the encashment of rights. The retention of deferred charges in the GRA would increase nonquota resources for the period. In addition, the retention would increase the Fund's interest-free resources, and thus would permit a somewhat lower rate of charge for all members using ordinary resources than otherwise would be necessary to achieve the target amount of net income. 1/ However, the retention would not contribute to strengthen the Fund's precautionary balances.

2. Addition to the Fund's Precautionary Balances

Alternatively, members could permit the Fund to use the resources retained following the settlement of deferred charges temporarily to increase precautionary balances; these amounts would then be treated analogously to contributions to precautionary balances generated under burden sharing. 2/ Retained resources would be added to the Special Contingent Account (SCA-1); they would thereby increase the Fund's precautionary balances, and at the same time provide additional nonquota resources in the GRA which would represent "interest-free" resources. If members agreed that the retained proceeds of the settlement of deferred charges be added to precautionary balances held in this Account, they would share the financial risks borne by these precautionary balances and the timing of the eventual refunding of these amounts would be governed by the relevant provisions of the SCA-1. Alternatively, it could also be envisaged that the retained amounts be added to SCA-2 instead, in which case they would increase the nonquota resources available in the GRA for the financing of the rights earned under a rights accumulation program. Eventual refunding of the respective amounts would then be governed by the relevant provisions for the SCA-2.

1/ At present interest rates, each accumulation of SDR 100 million would permit the rate of charge to be set about 7 basis points lower than otherwise necessary to achieve the target amount of net income and reduce the proportion of the SDR interest rate (e.g., 90.5 percent instead of 91.3 percent for FY 1991).

2/ See "Statement by the Managing Director on the Strengthened Cooperative Strategy on Overdue Financial Obligations to the Fund", Executive Board Meeting 90/37 on March 16, 1990 (Buff 90/58, 3/15/90).

3. Administered Account

The "refunds" could also be channeled to an administered account, such as the Voluntary Contributions Account discussed in Section II. In this case, when quarterly payments of refunds are made, the members entitled to receive a refund would instruct the Fund that payment be made to the Account. Funds thus accumulated could be used in accordance with the provisions of the administered account, including the lending to members that are participating in the intensified collaborative approach. Retention of "refunds" in an administered account would have the advantage of allowing these resources to be used directly in support of adjustment programs under the rights approach. However, members that permitted retained refunds to be placed to an Administered Account would assume the risk of arrears when loans made by the administered account fell due.

A decision of the Executive Board inviting member countries to authorize the Fund to retain any refunds due to them and specifying the use of these resources would be drafted in the light of the guidance provided by the Executive Board's discussion of the present paper. It would thereafter be intended that all member countries that have participated in the financing of deferred charges be contacted to seek such authorization, and in due time to report to the Executive Board on the outcome of these enquiries.

V. Summary of Conclusions

1. The Interim Committee warmly welcomed the proposal originally made by Mr. Arora for voluntary contributions by members that wish to make a commensurate contribution to burden sharing, to complement efforts to support appropriate adjustment policies in countries with protracted arrears.

2. It is proposed that members whose participation under burden sharing falls short of one-third of one percent per annum of their proposed new quota be invited to make such voluntary contributions in the form of interest-free loans or loans at no more than a minimal rate of interest. These resources would be placed to an administered account (the Voluntary Contributions Account), and would be used to extend loans to member countries that have adopted a Fund-monitored or rights accumulation program. Voluntary contributions from members could be used to assist members with protracted overdue financial obligations to the Fund in keeping current on the amounts falling due to the Fund during a Fund-monitored, or rights accumulation, program. It is proposed that eligibility for assistance under this proposal be limited to the nine members in protracted arrears at end-June 1990, and that disbursements would take place only in the context of such programs that had been endorsed by the Executive Board. A review of amounts available for disbursement would seem appropriate at the time when a critical mass is achieved. A draft instrument for such an

account would be prepared in the light of the discussion of the Executive Board.

3. The Interim Committee also noted the proposal that members would permit the Fund temporarily to retain the proceeds of the settlement of deferred charges, presently amounting to SDR 732 million, which otherwise would be "refunded" to members that had paid additional charges or received reduced remuneration. Three alternatives are discussed which could be considered to implement this proposal: (i) retention in the General Resources Account with concomitant establishment of a liability to repay at (or no later than) a specified date, (ii) addition of the amounts retained to the Fund's precautionary balances included in either SCA-1 or SCA-2, and (iii) payment by the member of the amounts refunded to an administered account. The first of these alternatives would support the financing of adjustment programs under the rights approach by increasing the Fund's nonquota resources, as well as adding to the Fund's interest-free resources. The second alternative in addition would allow an increase in the Fund's precautionary balances, albeit on the assumption of some small risk of non repayment by the member countries temporarily forgoing the "refund". The third alternative would not benefit the Fund's nonquota and interest-free resources but would allow direct support to countries adopting adjustment programs in the context of the rights approach. A draft decision inviting member countries to authorize the Fund to retain any refunds due to them could be prepared in the light of the discussion of the Executive Board.

Table 1. Burden Sharing Contributions
May 1, 1986 - April 30, 1990

(In millions of SDRs)

Member	Quota	Burden Sharing Contributions			Contribution Under Burden Sharing as Percent of Total Contributions (percent)	Quota Share (percent)
		Deferred Income	Special Account	Contingent Total		
Afghanistan	86.7	--	--	--	--	0.10
Algeria	623.1	4.0	1.1	5.1	0.54	0.69
Angola	145.0	0.0	0.0	0.0	0.00	0.16
Antigua and Barbuda	5.0	--	--	--	--	0.01
Argentina	1,113.0	34.4	11.4	45.9	4.85	1.23
Australia	1,619.2	0.9	0.3	1.1	0.12	1.80
Austria	775.6	4.9	1.2	6.1	0.65	0.86
Bahamas, The	66.4	0.1	0.0	0.1	0.01	0.07
Bahrain	48.9	0.5	0.1	0.7	0.07	0.05
Bangladesh	287.5	8.6	2.9	11.5	1.21	0.32
Barbados	34.1	0.1	0.0	0.2	0.02	0.04
Belgium	2,080.4	4.6	1.1	5.8	0.61	2.31
Belize	9.5	0.2	0.1	0.2	0.02	0.01
Benin	31.3	--	--	--	--	0.03
Bhutan	2.5	0.0	0.0	0.0	0.00	0.00
Bolivia	90.7	2.2	0.7	2.9	0.31	0.10
Botswana	22.1	0.3	0.1	0.4	0.04	0.02
Brazil	1,461.3	39.8	13.0	52.8	5.58	1.62
Burkina Faso	31.6	0.1	0.0	0.1	0.01	0.04
Burundi	42.7	0.1	0.0	0.1	0.01	0.05
Cameroon	92.7	0.9	0.3	1.2	0.12	0.10
Canada	2,941.0	2.1	0.5	2.6	0.27	3.26
Cape Verde	4.5	0.0	--	0.0	0.00	0.00
Central African Rep.	30.4	0.3	0.1	0.4	0.05	0.03
Chad	30.6	0.1	0.0	0.2	0.02	0.03
Chile	440.5	12.1	3.9	16.1	1.70	0.49
China	2,390.9	15.8	5.0	20.8	2.20	2.65
Colombia	394.2	--	--	--	--	0.44
Comoros	4.5	--	--	--	--	0.00
Congo	37.3	0.2	0.1	0.3	0.03	0.04
Costa Rica	84.1	0.8	0.3	1.1	0.11	0.09
Cote d'Ivoire	165.5	5.3	1.8	7.1	0.75	0.18
Cyprus	69.7	0.1	0.0	0.1	0.01	0.08
Denmark	711.0	2.7	0.8	3.5	0.37	0.79
Djibouti	8.0	0.0	0.0	0.0	0.00	0.01
Dominica	4.0	0.1	0.0	0.1	0.01	0.00
Dominican Republic	112.1	3.2	1.1	4.2	0.45	0.12
Ecuador	150.7	4.7	1.6	6.3	0.67	0.17
Egypt	463.4	2.3	0.8	3.0	0.32	0.51
El Salvador	89.0	0.2	0.1	0.3	0.03	0.10
Equatorial Guinea	18.4	0.1	0.0	0.1	0.01	0.02
Ethiopia	70.6	0.7	0.2	1.0	0.11	0.08
Fiji	36.5	0.2	0.1	0.2	0.02	0.04
Finland	574.9	2.4	0.7	3.0	0.32	0.64
France	4,482.8	18.7	4.8	23.5	2.49	4.97
Gabon	73.1	0.7	0.2	0.9	0.09	0.08
Gambia, The	17.1	0.2	0.1	0.3	0.03	0.02
Germany	5,403.7	46.4	12.1	58.5	6.18	6.00

Table 1. Burden Sharing Contributions
May 1, 1986 - April 30, 1990

(In millions of SDRs)

Member	Quota	Burden Sharing Contributions			Contribution Under Burden Sharing as Percent of Total Contributions (percent)	Quota Share (percent)
		Deferred Income	Special Contingent Account	Total		
Ghana	204.5	4.7	1.6	6.3	0.67	0.23
Greece	399.9	0.9	0.2	1.2	0.12	0.44
Grenada	6.0	0.0	0.0	0.0	0.00	0.01
Guatemala	108.0	0.7	0.2	0.9	0.10	0.12
Guinea	57.9	0.5	0.2	0.6	0.06	0.06
Guinea-Bissau	7.5	0.0	0.0	0.0	0.00	0.01
Guyana	49.2	0.9	0.3	1.3	0.13	0.05
Haiti	44.1	0.4	0.1	0.5	0.05	0.05
Honduras	67.8	0.5	0.2	0.6	0.07	0.08
Hungary	530.7	5.9	1.9	7.9	0.83	0.59
Iceland	59.6	0.1	0.0	0.1	0.01	0.07
India	2,207.7	39.3	12.7	52.0	5.50	2.45
Indonesia	1,009.7	9.1	3.0	12.1	1.28	1.12
Iran, Islamic Rep. of	660.0	0.2	0.0	0.3	0.03	0.73
Iraq	504.0	--	--	--	--	0.56
Ireland	343.4	2.2	0.6	2.7	0.29	0.38
Israel	446.6	--	--	--	--	0.50
Italy	2,909.1	16.6	4.4	21.0	2.21	3.23
Jamaica	145.5	5.2	1.7	6.9	0.73	0.16
Japan	4,223.3	37.9	10.8	48.7	5.15	4.69
Jordan	73.9	1.2	0.4	1.6	0.16	0.08
Kampuchea, Democratic	25.0	--	--	--	--	0.03
Kenya	142.0	2.9	0.9	3.8	0.40	0.16
Kiribati	2.5	0.0	--	0.0	0.00	0.00
Korea	462.8	5.5	1.9	7.4	0.78	0.51
Kuwait	635.3	4.1	1.0	5.1	0.54	0.70
Lao People's Dem. Rep.	29.3	0.0	0.0	0.0	0.00	0.03
Lebanon	78.7	0.4	0.1	0.5	0.05	0.09
Lesotho	15.1	0.0	0.0	0.0	0.00	0.02
Liberia	71.3	1.9	0.6	2.5	0.26	0.08
Libya	515.7	5.2	1.4	6.5	0.69	0.57
Luxembourg	77.0	0.2	0.0	0.2	0.02	0.09
Madagascar	66.4	1.6	0.5	2.1	0.22	0.07
Malawi	37.2	0.8	0.3	1.0	0.11	0.04
Malaysia	550.6	2.6	0.7	3.3	0.34	0.61
Maldives	2.0	--	--	--	--	0.00
Mali	50.8	0.5	0.2	0.7	0.07	0.06
Malta	45.1	0.5	0.1	0.7	0.07	0.05
Mauritania	33.9	0.6	0.2	0.8	0.09	0.04
Mauritius	53.6	0.6	0.2	0.8	0.09	0.06
Mexico	1,165.5	42.0	13.8	55.8	5.89	1.29
Morocco	306.6	6.7	2.2	9.0	0.95	0.34
Mozambique, Peo. Rep.	61.0	--	--	--	--	0.07
Myanmar	137.0	0.3	0.1	0.4	0.04	0.15
Nepal	37.3	0.4	0.1	0.6	0.06	0.04
Netherlands	2,264.8	8.7	2.2	10.9	1.15	2.51
New Zealand	461.6	--	--	--	--	0.51

Table 1. Burden Sharing Contributions
May 1, 1986 - April 30, 1990

(In millions of SDRs)

Member	Quota	Burden Sharing Contributions			Contribution Under Burden Sharing as Percent of Total Contributions (percent)	Quota Share (percent)
		Deferred Income	Special Account	Contingent Total		
Nicaragua	68.2	--	--	--	--	0.08
Niger	33.7	0.8	0.2	1.0	0.10	0.04
Nigeria	849.5	--	--	--	--	0.94
Norway	699.0	8.8	2.3	11.2	1.18	0.78
Oman	63.1	0.6	0.2	0.8	0.08	0.07
Pakistan	546.3	9.7	3.2	12.9	1.36	0.61
Panama	102.2	2.0	0.7	2.6	0.28	0.11
Papua New Guinea	65.9	0.0	0.0	0.0	0.01	0.07
Paraguay	48.4	0.3	0.1	0.3	0.04	0.05
Peru	330.9	10.9	3.6	14.5	1.53	0.37
Philippines	440.4	11.7	3.8	15.6	1.64	0.49
Poland	680.0	0.3	0.1	0.4	0.04	0.75
Portugal	376.6	3.9	1.3	5.1	0.54	0.42
Qatar	114.9	0.4	0.1	0.5	0.06	0.13
Romania	523.4	1.3	0.4	1.8	0.19	0.58
Rwanda	43.8	0.1	0.0	0.1	0.01	0.05
St. Kitts and Nevis	4.5	--	--	--	--	0.00
St. Lucia	7.5	--	--	--	--	0.01
St. Vincent	4.0	--	--	--	--	0.00
Sao Tome and Principe	4.0	--	--	--	--	0.00
Saudi Arabia	3,202.4	14.2	3.0	17.3	1.82	3.55
Senegal	85.1	1.5	0.5	2.0	0.21	0.09
Seychelles	3.0	--	--	--	--	0.00
Sierra Leone	57.9	1.0	0.3	1.3	0.14	0.06
Singapore	92.4	1.5	0.4	2.0	0.21	0.10
Solomon Islands	5.0	0.0	0.0	0.1	0.01	0.01
Somalia	44.2	1.0	0.3	1.4	0.15	0.05
South Africa	915.7	2.3	0.7	3.0	0.31	1.02
Spain	1,286.0	12.6	3.7	16.3	1.73	1.43
Sri Lanka	223.1	4.5	1.5	6.0	0.63	0.25
Sudan	169.7	7.0	2.3	9.3	0.98	0.19
Suriname	49.3	--	--	--	--	0.05
Swaziland	24.7	0.0	0.0	0.1	0.01	0.03
Sweden	1,064.3	3.9	1.0	4.9	0.52	1.18
Syrian Arab Republic	139.1	--	--	--	--	0.15
Tanzania	107.0	0.9	0.3	1.2	0.13	0.12
Thailand	386.6	6.2	2.1	8.3	0.88	0.43
Togo	38.4	0.6	0.2	0.7	0.08	0.04
Tonga	3.3	0.0	0.0	0.0	0.00	0.00
Trinidad and Tobago	170.1	1.9	0.5	2.3	0.25	0.19
Tunisia	138.2	4.0	1.3	5.3	0.56	0.15
Turkey	429.1	2.3	0.8	3.0	0.32	0.48
Uganda	99.6	0.9	0.3	1.2	0.13	0.11
United Arab Emirates	202.6	2.8	0.8	3.6	0.38	0.22
United Kingdom	6,194.0	13.9	3.3	17.2	1.81	6.87
United States	17,918.3	126.9	31.9	158.8	16.78	19.88
Uruguay	163.8	2.9	1.0	3.9	0.41	0.18
Vanuatu	9.0	0.0	0.0	0.0	0.00	0.01

Table 1. Burden Sharing Contributions
May 1, 1986 - April 30, 1990

(In millions of SDRs)

Member	Quota	Burden Sharing Contributions			Contribution Under Burden Sharing as Percent of Total Contributions (percent)	Quota Share (percent)
		Deferred Income	Special Contingent Account	Total		
Venezuela	1,371.5	9.1	2.4	11.4	1.21	1.52
Viet Nam	176.8	0.6	0.2	0.9	0.09	0.20
Western Samoa	6.0	0.1	0.0	0.1	0.01	0.01
Yemen, Peo. Dem. Rep.	77.2	0.0	0.0	0.0	0.00	0.09
Yemen Arab Republic	43.3	0.0	0.0	0.1	0.01	0.05
Yugoslavia	613.0	7.0	2.3	9.3	0.98	0.68
Zaire	291.0	8.2	2.7	10.9	1.15	0.32
Zambia	270.3	9.3	3.1	12.3	1.30	0.30
Zimbabwe	191.0	0.7	0.2	1.0	0.10	0.21
Totals	90,132.6	731.7	214.8	946.5	100.00	100.00

Table 2. Potential Deferred Charges in FY 1991 ^{1/}

(In millions of SDRs)

	Balance April 30, 1990	Potential Deferred Charges Quarter Ending ^{1/}				Settlements of Overdue Charges May 1 to June 30, 1990	Total FY 1991	Potential Deferred Charges April 30, 1991
		July 31, 1990	Oct. 31, 1990	Jan. 31, 1991	Apr. 30, 1991			
Guyana	27.6	--	--	--	--	27.6	(27.6)	--
Honduras	3.4	--	--	--	--	3.4	(3.4)	--
Kampuchea, Democratic	10.9	0.2	0.2	0.2	0.2	--	0.7	11.6
Liberia	83.4	4.6	4.6	4.6	4.4	--	18.3	101.7
Panama	52.3	5.1	5.1	5.0	4.9	--	20.0	72.3
Peru	169.8	12.9	12.8	12.7	12.3	11.4	39.3	209.1
Sierra Leone	15.0	1.3	1.3	1.3	1.2	--	5.1	20.1
Somalia	23.2	2.3	2.2	2.2	2.2	--	8.9	32.1
Sudan	227.8	13.9	13.9	13.8	13.4	--	55.0	282.8
Viet Nam	13.1	0.7	0.7	0.7	0.6	--	2.6	15.7
Zambia	207.9	15.5	15.4	15.3	14.8	--	61.0	268.9
Totals	834.4 ^{2/}	56.4	56.1	55.9	53.9	42.4	179.9	1,014.3

^{1/} Potential deferred charges indicate the amounts that would need to be deferred if no further payments were received by members that presently are overdue in financial obligations to the Fund and assuming that no other member falls into arrears in payments to the Fund. Does not include special charges.

^{2/} Includes SDR 102.7 million relating to the period before May 1, 1986 and thus not subject to refund upon settlement of deferred charges.