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March 9, 1990

To: Members of the Executive Board
From: The Secretary
Subject: Official Multilateral Debt Restructuring: Recent Experience

The attached paper reviews the experience with official multilateral debt restructurings during 1989. It provides background material for the forthcoming Board discussion on the management of the debt situation tentatively scheduled for Monday, April 9, 1990.

In line with past practices, it is intended to revise this paper after the Board discussion and publish it in the World Economic and Financial Surveys series. The revised text will reflect Executive Directors' comments and delete certain sensitive materials.

Mr. G. G. Johnson (ext. 8779) or Mr. Kuhn (ext. 6555) is available to answer technical or factual questions relating to this paper prior to the Board discussion.

Att: (1)

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INTERNATIONAL MONETARY FUND

Official Multilateral Debt Restructuring: Recent Experience

Prepared by the Exchange and Trade Relations Department

(In consultation with other departments)

Approved by Thomas Leddy

March 8, 1990

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I. Introduction

This paper is the latest in the series of staff reports reviewing developments in official multilateral debt renegotiations. ^{1/} The last comprehensive review "Official Multilateral Debt Rescheduling: Recent Experience" (SM/88/59, March 9, 1988) was published in the World Economic and Financial Surveys Series in May 1988. A shorter update "Official Multilateral Debt Rescheduling - Developments in 1988" (SM/89/51, 3/8/89) was discussed by the Executive Board on March 17, 1989.

Section II provides a summary and overview of recent trends; Section III describes the terms and conditions of recent reschedulings and developments in the links to Fund arrangements; Section IV surveys the adaptations of official creditors in reschedulings for the poorest countries; and Section V discusses comparability of treatment of other creditors, including commercial banks. Annex I describes the framework for official multilateral debt renegotiations and a glossary of selected terms used in connection with official multilateral debt renegotiations is provided in Annex II. Appendix I presents tables detailing the recent experience with official multilateral debt reschedulings, and Appendix II contains summary descriptions of each of the rescheduling agreements concluded during 1989.

II. Summary of Trends and Developments

The most significant development in multilateral official debt reschedulings during 1989 was an acceleration of the recent trend towards increasing dependence on debt reschedulings through the Paris Club by a growing number of debtor countries. The frequency of reschedulings reached a new peak of 24 in 1989, up sharply from an average of 16 during the preceding years, as seven countries approached the Paris Club for the first time while repeat reschedulings continued unabated. This increased the total number of official multilateral debt reschedulings since 1976 to 150, involving a total of 50 debtor countries and a total amount of debt relief estimated at about US\$110 billion (Table 1). ^{2/}

The increase in the frequency of Paris Club reschedulings in 1989 mirrored in large part the rise in the number of countries with Fund-supported adjustment programs, including, notably, several countries that had not obtained Paris Club reschedulings for some time because of the absence of a Fund arrangement. At the beginning of 1990, 23 countries had rescheduling agreements in effect, nearly twice the

^{1/} Policy issues related to multilateral official debt reschedulings are discussed in "Issues in Managing the Debt Situation" (forthcoming).

^{2/} As in past papers, "debt relief" is used to signify cash flow relief through rescheduling of debt service obligations; the terms debt "reduction", "cancellation", or "forgiveness" are used for operations that involve reductions of principal or interest. "Restructuring" refers broadly to all of these operations.

Table 1. Official Multilateral Debt Reschedulings, 1976-89 ^{1/}

(Overview)

Debtor country ^{2/}	Date of agreement Mo./Day/Yr.	Amount consolidated ^{3/} (In millions of U.S. dollars)	Type of debt consolidated ^{4/}		Consolidation period (months)	Proportion of due payments rescheduled ^{5/6/} (In percent)		Terms ^{5/7/} (In years)	
			Current maturities	Previously rescheduled		Prin.	Int.	Grace	Maturity
Zaire I	6/16/76	270	PA	--	18	85	--	1.0	7.5
Zaire II	7/07/77	170	PI	--	12 ^{8/}	85	85	3.0	8.5
Sierra Leone I	9/15/77	39	PIA	--	24	80	80	1.5	8.5
Zaire III	12/01/77	40	I	--	6	--	75	3.0	9.0
Turkey I	5/20/78	1,300	PIAt	--	13	80	80	2.0	6.5
Gabon I	6/20/78	63	Ap	--	...	...	...	...	...
Peru I	11/03/78	420	P	--	12	90	--	2.0	6.5
Togo I	6/15/79	260	PIA	--	21	80	80	2.8	8.3
Turkey II	7/25/79	1,200	PIA ⁿ	--	12	85	85	3.0	7.5
Sudan I	11/13/79	487	PIA	--	21	85	85	3.0	9.5
Zaire IV	12/11/79	1,040	PIAt	A	18	90	90	3.5	9.0
Sierra Leone II	2/08/80	37	PIA	--	16	90	90	4.2	9.7
Turkey III	7/23/80	3,000	PIAt	PIA	36	90	90	4.5	9.0
Liberia I	12/19/80	35	PI	--	18	90	90	3.3	7.8
Togo II	2/20/81	232	PI	--	24	85	85	4.0	8.5
Poland I	4/27/81	2,110	PIA	--	8	90	90	4.0	7.5
Madagascar I	4/30/81	140	PIAt	--	18	85	85	3.8	8.3
C.A.R. I	6/12/81	72	PIA	--	12	85	85	4.0	8.5
Zaire V	7/09/81	500	PI	--	12	90	90	4.0	9.5
Senegal I	10/12/81	75	PI	--	12	85	85	4.0	8.5
Uganda I	11/18/81	30	PIA	--	12	90	90	4.5	9.0
Liberia II	12/16/81	25	PI	--	18	90	90	4.1	8.6
Sudan II	3/18/82	203	PIA	--	18	90	90	4.5	9.5
Madagascar II	7/13/82	107	PIAt	--	12	85	85	3.8	8.3
Romania I	7/28/82	234	PIA	--	12	80	80	3.0	6.0
Malawi I	9/22/82	25	PI	--	12	85	85	3.5	8.0
Senegal II	11/29/82	74	PI	--	12	85	85	4.3	8.8
Uganda II	12/01/82	19	PI	--	12	90	90	6.5	8.0
Costa Rica I	1/11/83	136	PIA	--	18	85	85	3.8	8.3
Sudan III	2/04/83	518	PrItAt	PIA	12	100	100	5.5	15.0
Togo III	4/12/83	300	PIA	PI	12	90	90	5.0	9.5
Zambia I	5/16/83	375	PIAt	--	12	90	90	5.0	9.5
Romania II	5/18/83	736	P	--	12	60	--	3.0	6.0
Mexico I	6/22/83	1,199	PAc	--	6	90	--	3.0	5.5
C.A.R. II	7/08/83	13	PIA	--	12	90	90	5.0	9.5
Peru II	7/26/83	466	PI	--	12	90	90	3.0	7.5
Ecuador I	7/28/83	142	PI	--	12	85	85	3.0	7.5
Morocco I	10/25/83	1,152	PIA	--	16	85	85	3.8	7.3
Malawi II	10/27/83	26	PI	--	12	85	85	3.5	8.0
Niger I	11/14/83	36	PI	--	12	90	60	4.5	8.5
Brazil I	11/23/83	2,337	PIA	--	17	85	85	4.0	7.5
Zaire VI	12/20/83	1,497	PrItAtL	PIAL	12	95	95	5.0	10.5
Senegal III	12/21/83	72	PI	--	12	90	90	4.0	8.5
Liberia III	12/22/83	17	PI	--	12	90	90	4.0	8.5
Sierra Leone III	2/08/84	25	PIAt	PIA	12	90	90	5.0	10.0
Madagascar III	3/23/84	89	PIA	PIA	18	95	95	4.8	10.3
Sudan IV	5/03/84	249	PI	PI	12	100	100	6.0	15.5
Côte d'Ivoire I	5/04/84	230	PI	--	13	100	50	4.0	8.5
Yugoslavia I	5/22/84	500	P	--	12	100	--	4.0	6.5
Peru III	6/05/84	704	PI	--	15	90	90	4.9	8.4
Togo IV	6/06/84	75	PI	Partial PI	16	95	95	4.8	9.3
Jamaica I	7/16/84	105	PIA	--	15	100	50	3.9	8.4
Zambia II	7/20/84	253	PIA	PIA	12	100	100	5.0	9.5
Mozambique I	10/25/84	283	PIA	--	12	95	95	5.0	10.5
Niger II	11/30/84	26	PI	--	14	90	50	4.9	9.4
Liberia IV	12/17/84	17	PI	--	12	90	90	5.0	9.5
Philippines I	12/20/84	757	PI	--	18	100	60	4.8	9.3
Argentina I	1/16/85	2,040	PIA	--	12	90	90	5.0	9.5
Senegal IV	1/18/85	122	PIA	--	18	95	95	3.8	8.3
Somalia I	3/06/85	127	PIAt	--	12	95	95	5.0	9.5
Costa Rica II	4/22/85	166	PIA	--	15	90	90	4.9	9.4
Ecuador II ^{9/}	4/24/85	450	PAp	--	12	100	--	3.0	7.5
					12	85	--	3.0	7.5
					12	70	--	3.0	7.5
Mauritania I	4/27/85	68	PIA	--	15	90	90	3.8	8.3

Table 1 (continued). Official Multilateral Debt Reschedulings, 1976-89 1/

(Overview)

Debtor country 2/	Date of agreement Mo./Day/Yr.	Amount consolidated 3/ (In millions of U.S. dollars)	Type of debt consolidated 4/		Consolidation period (months)	Proportion of due payments rescheduled 5/6/ (In percent)		Terms 5/7/ (In years)	
			Current maturities	Previously rescheduled		Prin.	Int.	Grace	Maturity
Dominican Rep. I	5/21/85	290	PIA	--	15	90	90	4.9	9.4
Madagascar IV	5/22/85	128	PI	Partial PI	15	100	100	4.9	10.4
Yugoslavia II	5/24/85	812	P	--	18	90	--	3.8	8.3
Togo V	6/24/85	27	PI	--	12	95	95	5.0	10.5
Côte d'Ivoire II	6/25/85	213	PI	--	12	100	50	4.0	8.5
Poland II	7/15/85	10,930	PIAL	--	36	100	100	5.0	10.5
Chile I	7/17/85	146	P	--	18	65	--	2.8	6.3
Jamaica II	7/19/85	62	PI	--	12	100	50	4.0	9.5
Eq. Guinea I	7/22/85	38	PIAL	--	18	100	100	4.5	9.0
Morocco II	9/17/85	1,124	PIA	--	18	90	90	3.8	8.3
Zaire VII	9/18/85	408	PI	PI	15	95	95	4.9	9.4
Panama I	9/19/85	19	P	--	16	50	--	2.8	7.3
Poland III	11/19/85	1,400	PI	--	12	100	100	5.0	9.5
Niger III	11/21/85	38	PI	--	12	90	50	5.1	9.5
C.A.R. III	11/22/85	14	PI	Partial P	18	90	90	4.8	9.3
Zambia III	3/04/86	371	PIA	PIA	12	100	100	5.0	9.5
Guinea I	4/18/86	196	PIAL	PIAL	14	95	95	4.9	9.4
Yugoslavia III 10/	5/13/86	490	P	--	12	85	--	3.9	9.4
		411	P	--	11	84	--	4.0	8.5
Zaire VIII	5/15/86	429	PIR	--	12	100	100	4.0	9.5
Mauritania II	5/16/86	27	PI	--	12	95	95	4.0	8.5
Côte d'Ivoire III 9/	6/27/86	370	P	--	12	80	--	4.1	8.6
					12	70	--	4.1	8.6
					12	60	--	4.1	8.6
Bolivia I	7/17/86	449	PIAL	--	12	100	100	5.0	9.5
Congo I	7/18/86	756	PIA	--	20	95	95	3.7	9.1
Mexico II 11/	9/17/86	1,747	PI	--	15	100	60	4.0	8.5
		165	P	--	3	100	--	3.8	8.3
Tanzania I	9/18/86	1,046	PIAL	--	12	100	100	5.0	9.5
Gambia, The I	9/19/86	17	PIAL	--	12	100	100	5.0	9.5
Madagascar V	10/23/86	212	PI	Partial PI	21 12/	100	100	4.6	9.1
Sierra Leone IV	11/19/86	86	PIAL	Partial PI	16	100	100	4.8	9.2
Niger IV	11/20/86	34	P	--	12	100	--	5.0	9.5
Senegal V	11/21/86	65	PI	--	16	100	100	4.8	9.3
Nigeria I	12/16/86	6,251	PIAL	--	15	100	100	4.9	9.4
Brazil II 13/	1/21/87	3,615	PIAL 14/	--	24	100	100	3.0	5.5
		563	P	--	6	100	--	3.0	5.5
Gabon II	1/21/87	387	PI	--	15	100	90	3.9	9.4
Philippines II	1/22/87	862	PI	--	18	100	70	4.7	9.2
Jamaica III	3/05/87	124	PIA	--	15	100	85	4.9	9.4
Morocco III	3/06/87	1,008	PI	PI	16	100	100	4.7	9.2
Chile II	4/02/87	157	P	--	21	85	--	2.6	6.1
Zaire IX	5/18/87	671	PIA	--	13	100	100	6.0	14.5
Argentina II	5/20/87	1,260	PIAL	--	14	100	100	4.9	9.5
Egypt I	5/22/87	6,350	PIAL	--	18	100	100	4.7	9.2
Mauritania III	6/15/87	90	PI	--	14	95	95	4.9	14.4
Mozambique II	6/16/87	361	PIAL	PI	19	100	100	9.7	19.3
Uganda III	6/19/87	170 15/	PIAL	PI	12	100	100	6.0	14.5
Somalia II	7/22/87	153	PIA	PI	24	100	100	9.5	19.0
Guinea-Bissau I	10/27/87	25	PA	--	18	100	100	9.7	19.2
Poland IV	10/30/87	9,027	PIAL	PI, Partial AL	12	100	100	4.5	9.0
Senegal VI	11/17/87	79	PI	--	12	100	100	6.0	15.5
Côte d'Ivoire IV	12/18/87	567	PIAL	PIAL	16	100	95	5.8	9.3
Ecuador III	1/20/88	438	PIA	PIA	14	100	100	4.9	9.4
Gabon III	3/21/88	326	PI	--	12	100	100	5.0	9.5
Togo VI	3/22/88	139	PIAp	Partial PAp	15	100	100	7.9	15.3
Niger V	4/21/88	37	PI	--	13	100	75	10.0	19.5
Malawi III	4/22/88	27	PIA	PAp	14	100	100	9.9	19.4
Yugoslavia IV	7/13/88	1,291	PIR	Partial PI	15	100	100	5.9	9.4
Brazil III	7/28/88	4,992	PI	Partial Ap	20	100	70	5.0	9.5
Jamaica IV	10/24/88	147	PI	P	18	100	100	4.7	9.2
Morocco IV	10/26/88	969	PI	Partial P	18	100	100	4.7	9.2
Mali I	10/27/88	63	PIA	--	16	100	100	7.8 *	24.3 *
Madagascar VI	10/28/88	254	PIA	PI	21 16/	100	100	7.6 *	24.1 *
Bolivia II	11/14/88	226	PIA	PIAL	15 17/	100	100	5.9	9.3
Tanzania II	12/13/88	377	PIA	PIA	6	100	100	8.2 *	24.7 *
C.A.R. IV	12/14/88	28	PIA	Partial PAp	18 18/	100	100	8.0 *	24.5 *
Niger VI	12/16/88	48	PI	Partial PI	12	100	100	8.0 *	24.5 *

Table 1 (concluded). Official Multilateral Debt Reschedulings, 1976-89 1/
(Overview)

Debtor country 2/	Date of agreement Mo./Day/Yr.	Amount consolidated 3/ (In millions of U.S. dollars)	Type of debt consolidated 4/		Consolidation period (Months)	Proportion of due payments rescheduled 5/6/ (In percent)		Terms 5/7/ (In years)	
			Current maturities	Previously rescheduled		Prin.	Int.	Grace	Maturity
Senegal	1/24/89	143	PI	PI 19/	14	100	100	7.7 *	24.2 *
Trinidad & Tobago I	1/25/89	209	PA	--	14	100	--	4.9	9.4
Uganda IV	1/26/89	89	PIAL	PIAL	18 18/	100	100	7.8 *	24.3 *
Equatorial Guinea II	3/2/89 20/	10	A	A	--	--	--	8.0	24.5 *
Nigeria II	3/3/89	5,600 21/	PIAtL	PI, Partial AL	16	100	100	4.8	9.3
Guinea II	4/12/89	123	PIA	PI, Partial A	12	100	100	8.0 *	24.5 *
Guyana I	5/24/89	195	PtAtL	--	14	100	100	9.9	19.4
Cameroon I	5/24/89	535	PIA	--	12	100	85	6.0	9.5
Philippines III	5/26/89	1,850	PIA	--	25 22/	100	75	5.5	9.0
Costa Rica III	5/26/89	182	PIAL	AL	14	100	100	4.9	9.4
Mexico III	5/30/89	2,400 23/	PI	--	10	100	100	6.1	9.4
			PI	--	12 24/	100	90	6.1	9.6
			PI	--	14 24/	100	80	5.9	9.4
Mauritania IV	6/19/89	52	PIA	Partial PI	12	100	100	8.0 *	24.5 *
Togo VII	6/20/89	76	PI	Partial PI	14	100	100	7.9 *	24.4 *
Benin I	6/22/89	193	PIAL	PIAL 22/	13	100	100	7.9 *	24.4 *
Zaire X	6/23/89	1,530	PIA	PI, Partial A	13	100	100	7.9 *	24.4 *
Jordan I	7/19/89	587	PIA	--	18	100	50 26/	4.8	9.3
Angola I	7/20/89	446	PIAL	Partial PIAL 25/	15	100	100	6.0	9.5
Gabon IV	9/19/89	545	PIA	--	16	100	100	4.0	10.0
Ecuador IV	10/24/89	397	PIA	Partial PIA	14	100	100	5.9	9.4
Chad I	10/24/89 20/	38	PIAL	--	15	100	100	8.0 *	24.5 *
Guinea-Bissau II	10/26/89	21	PIAL	PIA	15	100	100	7.8 *	24.3 *
Mali II	11/22/89	44	PIAt	AI	26	100	100	7.4 *	23.9 *
Côte d'Ivoire V	12/18/89	881	PIA	PA, Partial I	16 16/	100	100	7.8	13.3
Argentina III	12/21/89	2,450	PIA	P, Partial IA	15	100	100	5.8	9.3

Sources: Agreed Minutes of debt reschedulings; and Fund staff estimates.

1/ Excludes debt renegotiations conducted under the auspices of aid consortia. Also excludes official debt reschedulings for countries not members of the Fund, but includes agreements with Poland signed prior to its date of membership in the Fund (June 12, 1986).

2/ Roman numerals indicate, for each country, the number of debt reschedulings in the period beginning 1976.

3/ Includes debt service formally consolidated as well as postponed maturities.

4/ Key: P - Principal, medium- and long-term debt
 Pt - Principal, debt of all maturities
 I - Interest, medium- and long-term debt
 It - Interest, debt of all maturities
 A - Arrears on principal and interest, medium- and long-term debt
 As - Arrears on principal and interest, short-term debt
 At - Arrears on principal and interest, debt of all maturities
 Ap(Ai) - Arrears on principal (interest), medium- and long-term debt
 L - Late interest

5/ Terms for current maturities due on medium- and long-term debt covered by the rescheduling agreement and not rescheduled previously.

6/ In most instances, some portion of the remaining amount was also deferred for a shorter period.

7/ For purposes of this paper grace and maturity of rescheduled current maturities are counted from the end of the consolidation period. An asterisk denotes concessional rescheduling under the options approach. Grace period refers to Options A and C, maturity to Option B.

8/ Interest payments consolidated for the first half of this period only.

9/ Includes three separate one-year consolidation periods of the multiyear restructuring agreement.

10/ The conditional second tranche of the consolidation took effect after a further meeting with creditors in 1987.

11/ Includes two separate consolidation periods.

12/ In 1987 creditors extended the consolidation period by three months.

13/ Includes two separate consolidation periods; however, the second tranche of the consolidation did not become effective.

14/ Agreed Minute did not refer to arrears, although at the time of rescheduling 1985 and 1986 maturities were de facto in arrears.

15/ Based on creditor data.

16/ Includes a conditional six-month extension.

17/ Includes a conditional three-month extension.

18/ Includes a conditional twelve-month extension.

19/ Previously rescheduled debt was rescheduled for part of the consolidation period only.

20/ Date of informal meeting of creditors on the terms to be applied in the bilateral reschedulings. Since only two creditors were involved for Equatorial Guinea and three creditors for Chad, creditors did not call for a full Paris Club meeting.

21/ Provisional data.

22/ Includes a conditional fifteen-month consolidation period.

23/ Amount consolidated over entire three-year period.

24/ Conditional tranches.

25/ Debt service resulting from previous bilateral consolidations with Paris Club creditors.

26/ Interest was rescheduled for part of the consolidation period only.

number at the beginning of 1989. Of the other countries that have rescheduled since 1976, however, only five countries are currently meeting debt service payments as scheduled, and most, if not all, of the remaining 22 countries are expected to approach the Paris Club for further debt relief. Paris Club reschedulings for some of these countries are expected to be concluded in early 1990 as Fund arrangements have either been approved or negotiations on a Fund-supported program are in an advanced stage, but for others the lack of a further Paris Club rescheduling mainly reflects difficulties and delays in the framing of appropriate adjustment programs that could form the basis for an agreement with official creditors.

While graduation from the rescheduling process remains elusive for all but five of the fifty countries, the strategy of debt subordination pursued by official creditors has been successful in achieving two important and more immediate objectives: creditors have not only continued to respond flexibly to the need for cash-flow relief on existing debts of countries that adopted Fund-supported programs, but also safeguarded the flow of new external financing to rescheduling countries. Creditors have shown great flexibility in providing, when necessary, very comprehensive reschedulings of pre-cutoff date debts, including, when needed, previously rescheduled debt (PRD). At the same time they have helped to maintain the flow of official finance through maintenance of cutoff dates in successive Paris Club reschedulings, and through excluding short-term debt from coverage under the consolidation.

The recent trend towards more comprehensive coverage of pre-cutoff date debt reflects mainly the persistence of severe balance of payments difficulties in the large majority of rescheduling countries, which has meant that the debt service profile resulting from the terms of previous reschedulings could not be met. In response, creditors have progressively increased to 100 percent the proportion of principal and interest on current maturities covered by the consolidation in all but a very few cases, covered arrears in a more comprehensive manner, and also included at least part of PRD in most repeat reschedulings. Creditors also agreed to multiyear consolidation periods for several countries with arrangements under the Extended Fund Facility or under the Structural Adjustment Facility (SAF) and Enhanced Structural Adjustment Facility (ESAF).

A major development over the past three years has been the progressive adaptation of policies by Paris Club creditors in response to the particularly protracted and deep-rooted problems of the heavily indebted low-income countries. These countries have accounted for nearly two thirds of all reschedulings and had frequently experienced great difficulties in adhering to the payments schedule of previous consolidations. As described in Section IV, Paris Club creditors took a first step towards easing repayment terms in mid-1987 by lengthening maturities and grace periods. A second, and more far-reaching step was the introduction, in late 1988, of a menu of options including partial cancellation, further extensions of maturities, and concessions on

interest rates. ^{1/} The menu approach has been implemented in 16 reschedulings for 15 low-income countries which consolidated debt service payments slightly in excess of US\$3 billion. Some US\$300 million of debt service payments have been canceled, and moratorium interest on these reschedulings has been reduced by some US\$40 million on an annual basis.

The issue of comparability of treatment among various creditor groups has recently acquired increased importance, especially as regards the assessment of burden-sharing between official and commercial bank creditors. Paris Club creditors and banks have long sought to ensure comparable action by the other except when debt service due to one creditor group was relatively small. In recent years, however, while official creditors continued to show considerable flexibility in providing debt relief for countries with Fund-supported adjustment programs, commercial banks in some cases did not in fact come forward with the amount of financing that had been anticipated. In other cases, the increasing reluctance of banks to participate in financing packages contributed to delays in the adoption of adjustment programs and thus delays in official financing. With the return to the Paris Club in 1989 of debtor countries which have significant and often much larger debts to commercial banks, Paris Club creditors reaffirmed the importance they attach to comparable treatment, especially in those cases that involve official support of bank debt and debt service reduction operations (Section V).

III. Recent Experience in Official Multilateral Debt Renegotiations of Fund Member Countries

1. Frequency of rescheduling and amount of debt relief

Since 1976, official creditors have concluded 150 rescheduling agreements with 50 debtor countries for a total amount of debt relief estimated at nearly US\$110 billion. ^{2/} During the first half of the 1980s, Paris Club creditors provided debt relief of US\$19 billion in 46 reschedulings for 21 countries. Activity in the Paris Club more than

^{1/} This menu of options had been endorsed by the creditor governments participating in the Toronto Summit meeting in June 1988, and the Paris Club rescheduling terms accorded under the menu approach have since become known as "Toronto terms".

^{2/} The starting date of 1976 is to some extent arbitrary, since multilateral official debt reschedulings through the Paris Club date back to 1956. The only country to reschedule in 1976, however, has since remained in a rescheduling situation almost without interruption, as have most of the other countries that have rescheduled since then. Both creditor and debtor countries thus frequently refer to specific rescheduling exercises by numbers as indicated in Table 1. Reschedulings that took place during the twenty years from 1956 are listed, for historical reference, in Appendix I, Table 23.

doubled during the second half as 45 debtor countries concluded 93 rescheduling agreements and debt relief provided by official creditors more than quadrupled to US\$85 billion.

The frequency of reschedulings rose sharply in the two years following the emergence of wide-spread debt servicing difficulties in 1983, and a first peak was reached in 1985 when 21 countries reached agreement with Paris Club creditors (Chart 1). The number of reschedulings then declined to an annual average of about 16 during 1986-1988, but this apparent stability masked a continuing deterioration in the external situation of most rescheduling countries, and many countries experienced difficulties in adopting the Fund-supported adjustment programs that could serve as a basis for a new re-scheduling. This was particularly the case for a number of middle-income countries that also encountered increasing difficulties in their negotiations with commercial banks on appropriate financing packages. Thus, the number of countries with effective rescheduling agreements dropped to 13 at the beginning of 1989, the lowest number since the beginning of 1985 (Table 2).

Table 2. Official Multilateral Rescheduling Agreements, 1985-90

	1985	1986	1987	1988	1989	1990
Countries with agreements in effect (Jan. 1)	6	18	17	17	13	23
Agreements concluded during the year	21	16	17	15	24	...
Agreements expired during the year	9	17	17	19	14	17 ^{1/}
at year-end	6	11	10	11	8	12
	3	6	7	8	6	5
Countries with agreements in effect (Dec. 31)	21	24	24	21	29	...

Source: Agreed Minutes of debt reschedulings.

^{1/} On the basis of rescheduling agreements concluded through end-1989.

This trend was reversed during 1989 as the frequency of re-schedulings reached a new record of 24 countries, and the number of rescheduling agreements in effect nearly doubled to 23 at the beginning of 1990. Only five of the 27 rescheduling countries with expired consolidation periods, however, had resumed debt service payments as scheduled. 1/ Essentially all of the remaining 22 countries are expected to return to the Paris Club for further debt relief. Some will be meeting with the Paris Club in the first months of 1990 since Fund arrangements have already been approved or negotiations on a Fund-supported program are at an advanced stage. 2/ Others, however, have been accumulating arrears for some time to most creditors, and progress continues to be slow in the framing and implementation of appropriate adjustment programs that could serve as a basis for a rescheduling agreement with Paris Club creditors. 3/ In addition, most of the countries with rescheduling agreements in effect at the start of 1990 are also expected to seek further debt relief upon the expiration of their present consolidation period. Graduation from Paris Club reschedulings has thus remained a very slow process.

Reflecting the protracted nature of the problems of many debtor countries, the majority of consolidations in 1989 was again accounted for by repeat reschedulings. In contrast to previous years, however, there was also a significant number of new reschedulings as seven countries sought debt relief from the Paris Club for the first time. Three of these countries had only recently experienced debt servicing difficulties and required a rescheduling of principal only (Trinidad and Tobago) or, in addition, only part of interest (Cameroon and Jordan); two countries had accumulated arrears to official creditors for some time but had not been in position to regularize their relations because of the absence of an appropriate adjustment program (Benin and Guyana); Chad had only very recently accumulated arrears, and the rescheduling for Angola was its first multilateral Paris Club rescheduling, but followed previous bilateral consolidations.

The single most important factor in determining the frequency of Paris Club reschedulings remained the rate at which Fund-supported programs were concluded as creditors have continued to require a Fund arrangement to be in place as a precondition for a rescheduling. 4/ The unprecedented number of rescheduling agreements in 1989 is thus largely a reflection of the record number of countries whose programs

1/ Chile, The Gambia, Malawi, Romania, and Turkey.

2/ The rescheduling meetings for Poland and Senegal took place in February 1990 and meetings for Bolivia, Jamaica, Tanzania, and Yugoslavia are expected to take place shortly.

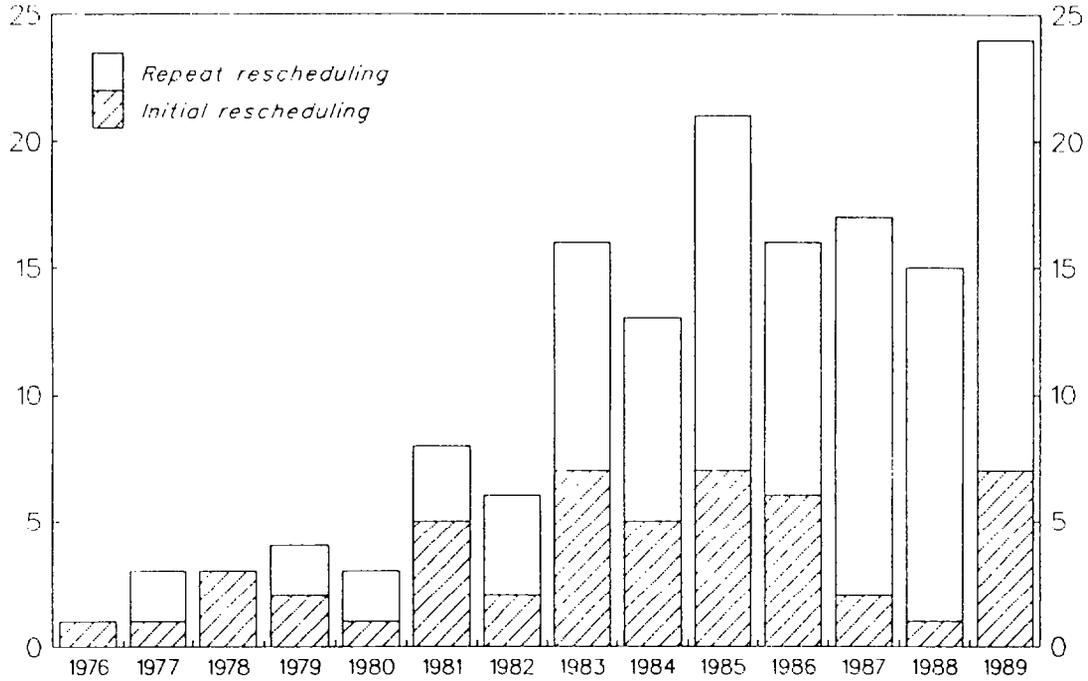
3/ Seven of these countries are currently ineligible to use Fund resources (Liberia, Panama, Peru, Sierra Leone, Somalia, Sudan, and Zambia).

4/ The rescheduling for Angola was an exception. Angola had not yet officially joined the Fund at the time of the rescheduling agreement.

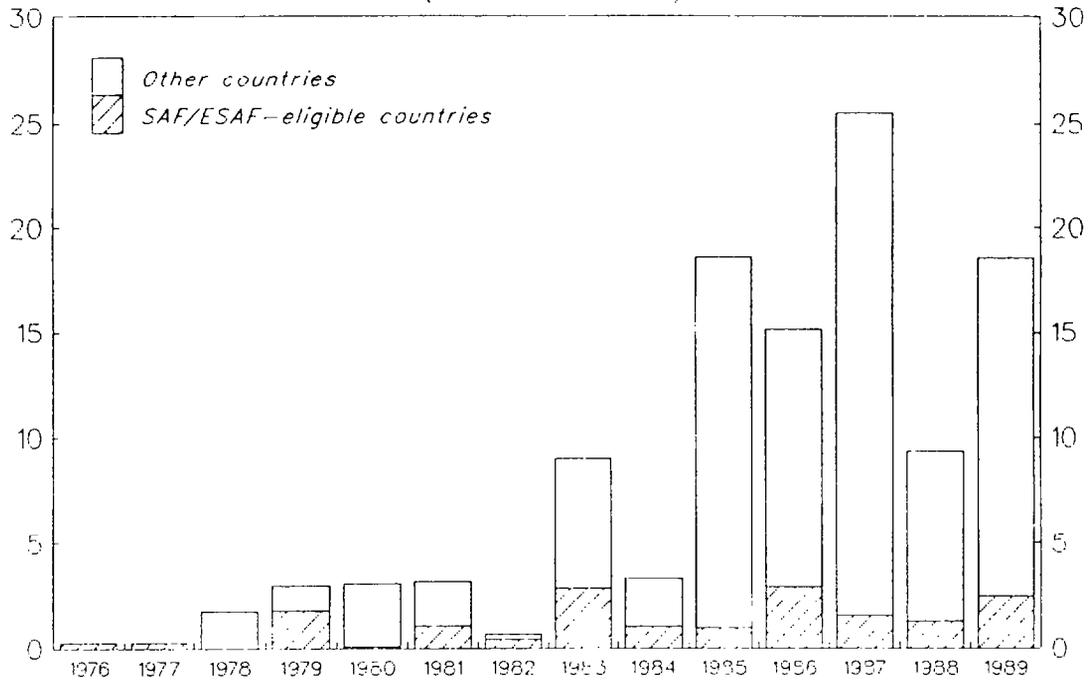
CHART 1

OFFICIAL MULTILATERAL DEBT RENEGOTIATIONS
FOR ALL COUNTRIES, 1976--1989

NUMBER OF INITIAL AND REPEAT RESCHEDULING AGREEMENTS



AMOUNTS RESCHEDULED BY SAF/ESAF-ELIGIBLE AND OTHER COUNTRIES
(In billions of U.S. dollars)



Source: Agreed Minutes; and Fund staff estimates.

are supported by the Fund. At the same time, the financing of Fund-supported programs has also become increasingly dependent on debt relief from official (and other) creditors. Prior to the debt crisis, only a small percentage of Fund-supported programs required exceptional financing in the form of multilateral reschedulings by official creditors. Since 1986, however, four-fifths of the programs supported by the Fund through stand-by and extended arrangements and two thirds of those supported by SAF and ESAF arrangements required financial support through Paris Club reschedulings. In fact, for the majority of rescheduling countries debt relief from the Paris Club has become the largest single source of exceptional balance of payments assistance.

Year-to-year changes in the amounts of debt relief provide a less reliable indicator of underlying developments because the amounts are heavily influenced by a few reschedulings with countries that have large outstanding debts to official creditors. Poland alone accounts for more than one fifth of the cumulative amounts rescheduled since 1976, and the reschedulings for the five countries with the largest debts account for over 50 percent. ^{1/} By contrast, debt relief for the SAF-eligible countries accounts for only 15 percent of the total amount rescheduled but these countries represent one half of the fifty rescheduling countries and nearly two thirds of the total number of reschedulings.

2. Coverage of debt consolidation and subordination strategies

Paris Club reschedulings normally do not provide for the rescheduling of the full amount of debt service payments falling due during the consolidation period. In order to restore or preserve the flow of new credits by official creditors, certain debts are typically not covered by the consolidation. The main element in this strategy of subordination has been the maintenance since May 1984 of the cutoff date in all rescheduling agreements with Fund member countries seeking successive reschedulings.

The cutoff date is established at the first multilateral rescheduling agreement and applies not only to officially supported export credits but also to all other forms of bilateral debts. Debt service payments on loans contracted before that date are eligible to be consolidated under the first or subsequent agreements, but those falling due on loans contracted after the cutoff date are excluded from reschedulings and are to be serviced on a timely basis. As rescheduled claims relate to pre-cutoff date debts, they may be re-rescheduled. On the strength of the subordination of old, pre-cutoff date debts to new, post-cutoff date claims, official creditors have been prepared to extend

^{1/} The five largest rescheduling countries (and their percentage shares in total cumulative debt relief through end-1989) are: Poland (21.4), Nigeria (10.8), Brazil (10.5), Zaire (6.0), and Egypt (5.8).

new credits to countries which continue to be unable to service their debts in full, but which are implementing adjustment programs. 1/

Most debtor countries have recognized the important role played by the cutoff date in enabling export credit agencies to provide new credits. A few low-income countries have, however, recently requested the inclusion of post-cutoff date debts in the consolidation and typically based their request on the arguments that the cutoff date had not been an effective encouragement of new export credits or that new credits on commercial terms were in any case not an appropriate form of project financing. Underlining the systemic consequences of a change in official creditors' debt strategy, Paris Club creditors have not accepted requests for a change in the cutoff date. 2/ Creditors have also noted that a change in cutoff date could jeopardize continued flows of development aid. In any case, post-cutoff date debt service in fact contributes only marginally to the debt servicing problems of the low-income countries.

Paris Club creditors have also continued their policy of excluding from reschedulings short-term debt falling due during the consolidation period. Since the maintenance of or increases in short-term credit lines by official export credit agencies have been an essential element in the financial support of the adjustment efforts of all rescheduling countries, debtor countries have generally not requested a consolidation of current debt service on short-term debts, and these debts were excluded from all reschedulings in 1989. 3/ As on a number of occasions in the past, Paris Club creditors agreed, on an exceptional basis, to consolidate arrears on short-term debt for three countries (Guyana, Mali and Nigeria).

Another aspect of the strategy is the treatment of private sector claims that are not guaranteed by the debtor government. Until 1985, these claims were generally included in the consolidation, except for

1/ The recent staff paper "Officially Supported Export Credits - Developments and Prospects" (SM/89/219, 10/27/89) noted that export credit agencies and their guardian authorities were unanimous in their view that cutoff dates must remain fixed, if they are to continue to offer cover for new credits to rescheduling countries. Agencies underlined that any change in the cutoff date would have a large immediate impact on cover policy, not just for the country concerned, but for a wide range of countries.

2/ The importance creditors attach to the continued maintenance of cutoff dates is made explicit by the reference to an unchanged cutoff date which has been included in all goodwill clauses in recent years.

3/ Given the exceptional circumstances of the case, Paris Club creditors agreed to cover current short-term maturities in the rescheduling for Guyana. It was thought that there were few, if any, such debts, and creditors considered that inclusion would simplify the process of data reconciliation.

countries with convertible currencies through their membership in currency unions. During the past years, however, an increasing number of debtor countries specifically requested the exclusion of private sector debt from the consolidation and Paris Club creditors generally agreed despite the questions of inter-creditor equity that arose from this change in coverage. Even though new credits to repeat reschedulers are already protected by the cutoff date, the exclusion of private sector debt has further encouraged export credit agencies to support private sector development through new credits. For many debtor countries, the request for an exclusion of private sector debt was also based on operational considerations, because in practice it has often proved difficult to identify eligible private sector claims and to separate clearly cases of commercial default that are not covered by Paris Club reschedulings. ^{1/} As shown in Appendix I, Table 8, the exclusion of private sector debt has now become the norm rather than the exception in Paris Club reschedulings.

In recent years creditors have shown increasing flexibility regarding coverage of pre-cutoff date debts, including previously rescheduled debt and arrears in those cases where the payments capacity of the debtor country was severely constrained. Creditors had already moved towards 100 percent coverage of interest and principal payments on current maturities (not arising from previous reschedulings) in the period 1986-88 and service on these debts continued to be fully included in all but two repeat reschedulings. In many cases, however, previously rescheduled debt (PRD) accounts for the largest share of scheduled debt service payments. As debt servicing difficulties persisted for most repeat reschedulers which reflected in part the terms of previous consolidations, it became increasingly necessary to re-reschedule PRD; in 1989 PRD was at least partially included in all but four repeat reschedulings. Moreover, continuing the trend already in evidence during the previous two years, the number of previous reschedulings covered in the new consolidation increased in all of these cases, in some instances dramatically as countries found themselves unable to make payments on any previous rescheduling (Appendix I, Table 12). In several cases the consolidation included essentially all debt service payments falling due on medium-term pre-cutoff date debt.

Creditors have also increasingly aligned the repayment terms of rescheduled arrears with the repayment period on current maturities and PRD and typically covered 100 percent of rescheduled arrears. The streamlining of repayment terms was, in part, motivated by a desire to ease the administrative burden associated with the rescheduling, but

^{1/} When private sector debt is excluded from the rescheduling, the Agreed Minute typically contains a "transfer clause", which commits the debtor government to guarantee the immediate and unrestricted transfer of foreign exchange in all cases where the private sector debtor pays the local currency counterpart for servicing its debt to Paris Club creditors.

also resulted from the recognition that the harder repayment terms previously applied to these debts could not realistically be met.

Whenever possible, however, creditors excluded from the medium-term rescheduling late interest (interest accrued on arrears) and arrears on PRD that had not been covered in the last consolidation. In these cases repayment was generally required within the consolidation period in several tranches. Shorter repayment terms were also applied to short-term debt in arrears in the three cases that included this debt in the rescheduling. Thus increasing standardization in the treatment of the major types of debt was accompanied by increasingly finer distinctions among various subcategories of debts that arose from repeated re-schedulings and re-reschedulings.

In contrast to the increased coverage of debts for most repeat reschedulers, PRD was excluded in the reschedulings for Gabon, Mexico and the Philippines. ^{1/} The latter two consolidations also excluded part of interest payments on current maturities in the form of a phased decline in the coverage from 100 percent to 80 percent in the case of Mexico or, in the case of the Philippines, a very short deferral of 25 percent to be repaid in two tranches. In the first-time reschedulings for Cameroon and Jordan part of interest payments were also excluded, and the rescheduling for Trinidad and Tobago covered principal payments only.

3. Rescheduling terms

Debt service covered by the consolidation is usually rescheduled on a medium-term basis. The standard terms for Paris Club reschedulings in 1989 remained an overall maturity not exceeding 10 years with a grace period not exceeding six years with exceptions made only for the low-income, heavily indebted countries, as discussed in Section IV. ^{2/} Chart 2 illustrates the progressive elimination of previous distinctions in repayment terms for different types of debts; it also shows the substantial decline in recent years in the proportion of payments falling due during the consolidation period (down payments) and within the grace period (deferred payments) not only for current maturities covered by the consolidation but also for arrears (see also Appendix I Tables 14 to 19). The marked lengthening in average grace and repayment periods since 1987 is due to the preferential treatment accorded to low-income countries (Chart 3). The repayment profile of reschedulings for

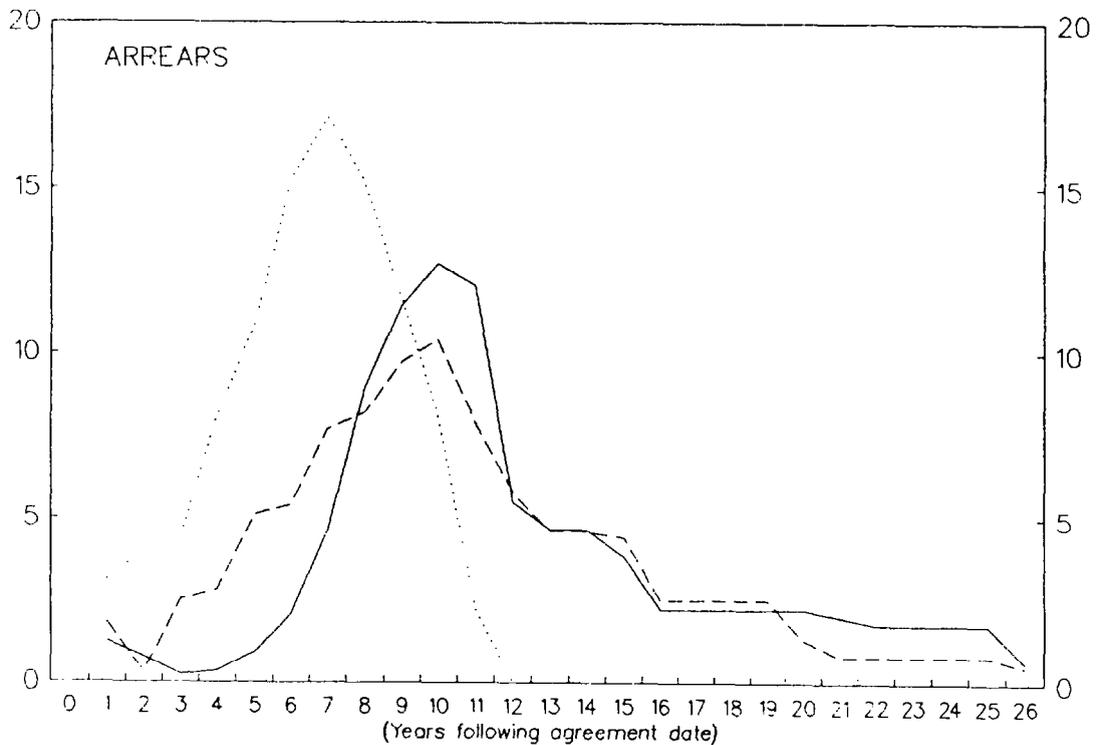
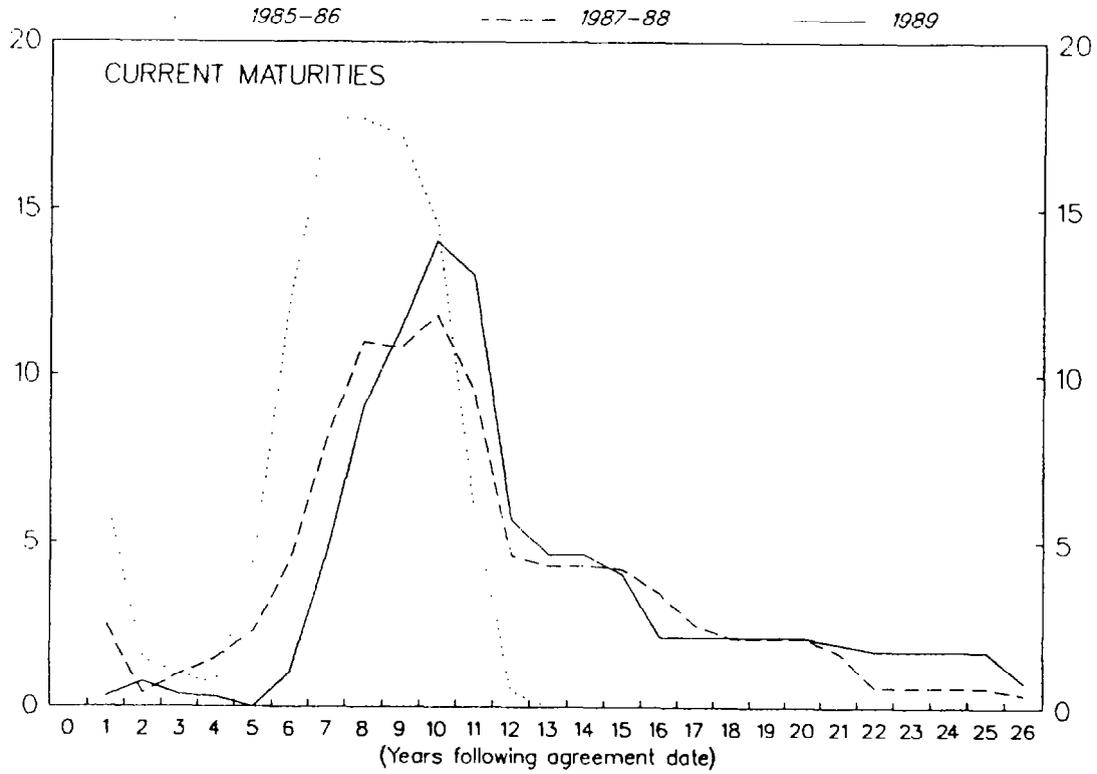
^{1/} The rescheduling for Costa Rica also excluded PRD falling due during the consolidation period, but covered arrears on PRD. The rescheduling for Senegal excluded PRD for the last six months of the consolidation period.

^{2/} Exceptions were also made in the reschedulings for Côte d'Ivoire in December 1989 and Poland in February 1990 which provided for an overall maturity of 14 years including a grace period of 8 years.

CHART 2

AVERAGE REPAYMENT SCHEDULE FOR CURRENT MATURITIES AND ARREARS FOR ALL COUNTRIES, 1985-89

(In percent of total debt service covered by agreement)



Sources: Paris Club Agreed Minutes and Fund Staff Estimates.

middle-income countries (countries not eligible for the SAF/ESAF) has remained broadly unchanged in recent years though there is a noticeable increase in the average grace period and a slight increase in the overall repayment period which reflects in large part the recent lengthening of the average consolidation period (Chart 4).

The multilateral rescheduling agreement does not cover interest rates applied to the consolidation but a reference to market interest rates has long been included in the Agreed Minute. The provision specifies that the conditions and rates of interest on the financial arrangements covered by the agreement will be determined bilaterally on the basis of the appropriate market rate. It has been the general practice, however, to reschedule debt service on ODA debts on concessional rates.

4. Consolidation period

Debt relief by official creditors applies to current debt service payments on debts covered by the agreement and falling due during a specified period of time (the consolidation period) and, in some cases, also to arrears that accumulated to the beginning of the consolidation period. While consolidation periods have typically extended over one year, Paris Club creditors have provided effective debt relief for many countries over a much longer period. As illustrated in Chart 5 and Appendix I, Table 10, successive reschedulings have provided for long periods of effective consolidation of the debt (in one case extending over fifteen years) either, but very rarely, through a nearly seamless sequence of consolidation periods or through the rescheduling of arrears that had arisen between agreements.

During 1989, the average consolidation period lengthened considerably to 16 months from an average of 14 months during 1986-88 as creditors agreed to three multiyear reschedulings, and also made more frequent use of shorter conditional extensions of the consolidation period. This move to longer consolidation periods reflected creditors desire to reduce the number of annual rescheduling meetings for countries with multiyear Fund arrangements. ^{1/} Creditors also indicated that they would consider multiyear reschedulings on concessional terms on the basis of a SAF or ESAF, and the 26-month consolidation for Mali in November 1989 was the first case of a such a rescheduling based on a SAF arrangement.

The multiyear reschedulings for Mali, Mexico and the Philippines in 1989 were tranchéd, with the second (or third) tranche conditional on creditors' assessment by a specified date whether the conditions for a

^{1/} The multiyear rescheduling agreements (MYRAS) concluded in 1985 and 1986 had not been based on multiyear Fund arrangements. Experience with these agreements had been disappointing as none was fully implemented.

further extension of the consolidation have been met. These conditions include completion by the Fund Board of reviews of the extended arrangement or, in the case of Mali, approval of the second and third annual arrangement under the SAF. Similar conditions have been attached to the shorter possible extensions in the reschedulings for Bolivia, the Central African Republic, and Madagascar in 1988, and for Uganda in January 1989.

In several recent cases creditors included in the Agreed Minute a "pullback clause", which renders the rescheduling agreement null and void if certain conditions are not met by a specific date with payments schedules for all obligations covered by the rescheduling (including arrears) reverting back to the original schedules. Creditors introduced the pullback clause in the rescheduling for Guyana which was based on a Fund-monitored program and made the clause contingent on Fund Board approval of a stand-by arrangement or arrangement under the ESAF by February 28, 1990. Pullback clauses were also included in the Agreed Minutes for Argentina, Ecuador, and Zaire, with varying country-specific triggers.

5. Links to Fund arrangements and procedures

a. Overview

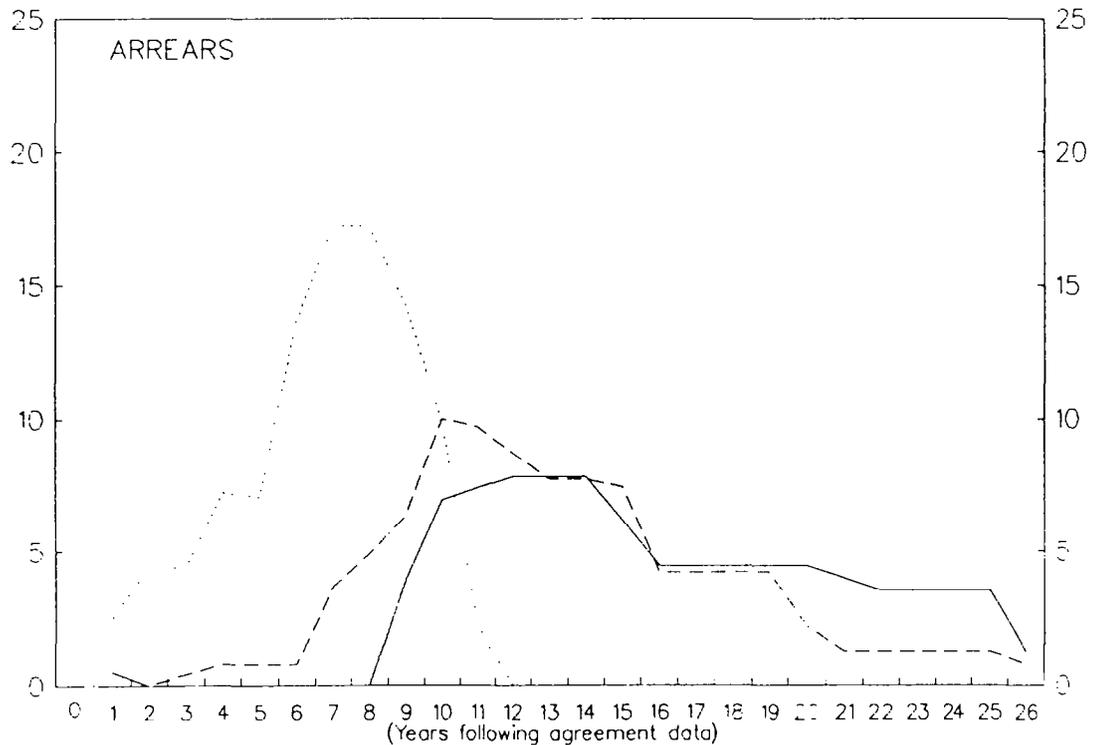
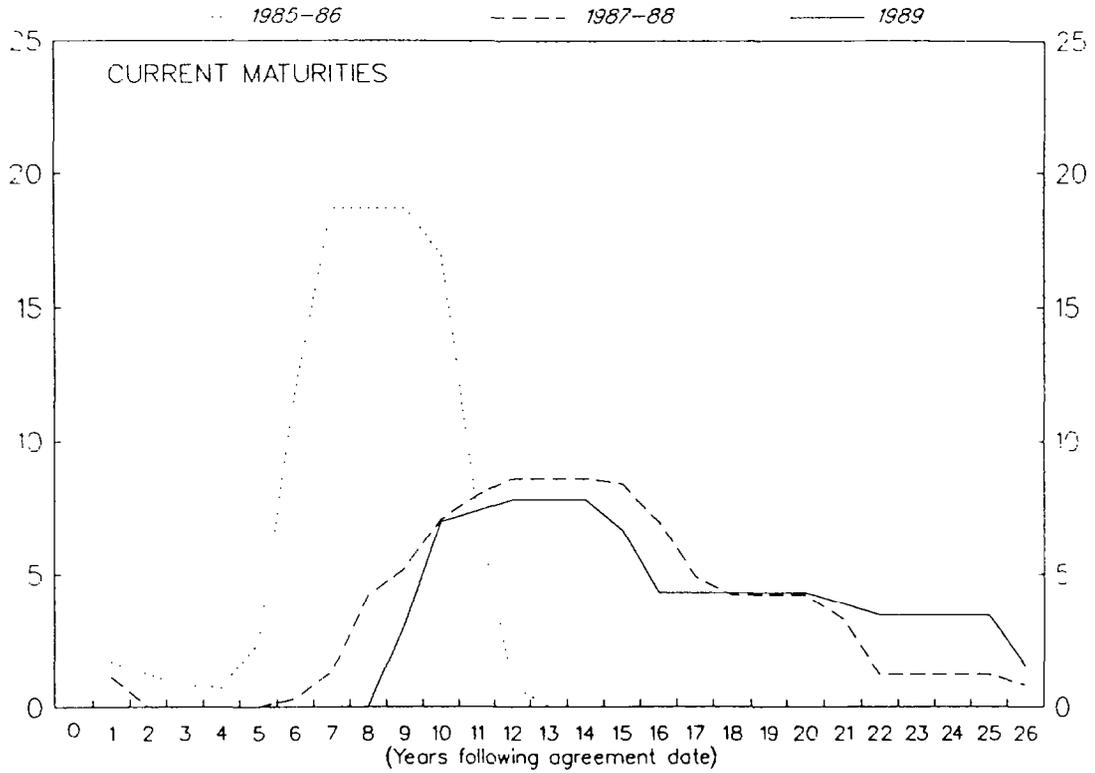
Since the mid-seventies, the Paris Club's general policy has been to consider the rescheduling request of a debtor country that is also a Fund member only after approval of a Fund arrangement in the upper credit tranches, or, more recently, an arrangement under the SAF or ESAF. ^{1/} The tight link to Fund involvement was in large part motivated by creditors' desire to ensure that the debt relief was integrated in a comprehensive and adequately monitored adjustment effort. Creditors also sought assurances that the adjustment program was financed in a manner that provided for adequate financial contributions from all groups of creditors and had relied in this on the Fund's policy on financing assurances.

^{1/} Creditors also concluded a rescheduling agreement with Yugoslavia in 1986 on the basis of enhanced surveillance procedures. Similarly, under the MYRA concluded with Ecuador, the third stage was conditional on either a new Fund arrangement in the upper credit tranches or on an enhanced surveillance procedure. The rescheduling with Brazil in January of 1987 was based in part on a report by the Managing Director on the summing up of the Article IV consultation concluded in December 1986, and the 1987 portion of the rescheduling was conditioned in part on the summing up of the next Article IV consultation. However, this agreement was seen as different because it consolidated mainly arrears accumulated during the preceding two years and provided only for an exceptionally short further consolidation period. Other exceptions have been made for countries that had only recently joined the Fund.

CHART 3

AVERAGE REPAYMENT SCHEDULE FOR CURRENT MATURITIES
AND ARREARS FOR SAF/ESAF-ELIGIBLE COUNTRIES, 1985-89

(In percent of total debt service covered by agreement)



Sources: Paris Club Agreed Minutes and Fund Staff Estimates.

In the context of the strengthened debt strategy, the Fund adapted, in May 1989, its policy on financing assurances to allow for outright approval of arrangements in cases where prompt support was judged essential for program implementation and where negotiations already underway between the debtor country and its bank creditors could be expected to result within a reasonable period in agreement on a financing package consistent with viability. The Fund has since approved a number of arrangements under these adapted guidelines. In those cases where a rescheduling from official creditors was also required, the Paris Club meeting took place as usual shortly after the date of Fund approval of the arrangement. ^{1/} The early regularization of relations between the debtor country and official creditors was considered an important element in the strengthened debt strategy. This procedure also allowed Paris Club creditors to have the size of their contribution established in advance of the bank financing package, but further complicated the already difficult task of assessing comparability of treatment (see Section V below).

b. Fund-monitored program

In May 1989 creditors consented to a rescheduling for Guyana on the basis of a Fund-monitored program in the context of the intensified collaborative approach towards countries ineligible to use Fund resources. The regularization of arrears and a rescheduling of debt service payments falling due during the program period was considered essential to enable some creditors and donors to come forward with new commitments of financial assistance in support of Guyana's program. While underlining the exceptional character of this rescheduling, Paris Club creditors noted that the Fund had found that the program met the standards of upper credit tranche conditionality. They also emphasized the relatively short program period, the close monitoring of program implementation by the Fund, and, in particular, the endorsement by the Fund Board of the Managing Director's recommendation to approve arrangements for the use of Fund resources provided that overdue obligations to the Fund were cleared, that program performance was satisfactory, and that understandings were reached on policies for the subsequent period. In light of the extremely difficult balance of payments situation, creditors agreed to an unprecedented consolidation in terms of coverage which, in effect, required no payments to Paris Club creditors during the consolidation period.

c. Recent developments

In recent years, Paris Club creditors have generally aligned the consolidation period very closely with the period of the debtor

^{1/} This was the case for Argentina, Costa Rica, Côte d'Ivoire, Ecuador, Mexico, and the Philippines. The arrangements for Costa Rica, Mexico, and the Philippines also include Fund support for debt and debt service reduction operations by commercial banks.

country's arrangement from the Fund. Since creditors consider a new rescheduling only after a new Fund arrangement is in place, debtors often incurred arrears during the interval between successive Fund arrangements, especially when there were delays in the formulation of new adjustment efforts that could be supported by the Fund. This accumulation of arrears posed problems for both creditors and debtors under the arrangement. In the past, creditors often set the beginning of the consolidation period several months before the date of the Agreed Minute in order to avoid the need to deal separately with arrears, but this practice was used much less frequently during the past year as creditors generally accorded arrears the same treatment as current maturities.

Instead, creditors have shown increasing flexibility in extending the consolidation period slightly beyond the period of the arrangement or in granting further extensions when the underlying arrangement was extended by the Fund or when a new arrangement was approved covering a period beyond the end of the consolidation. Creditors have also responded flexibly in cases when some of the conditions for extensions of the consolidation period could not be met within the timeframe specified in the Agreed Minute. Moreover, as mentioned above, creditors have responded favorably to requests by rescheduling countries to provide debt relief for longer periods in the context of multiyear Fund arrangements.

Paris Club creditors have taken great care to ensure that the coverage under the rescheduling provides the amount of debt relief required under the Fund-supported program and have generally tailored the amount of debt relief very closely to the payments capacity of the debtor country as programmed under the Fund arrangement. Creditors have also provided additional debt relief in some cases, where the broad assumptions regarding debt relief underlying the program proved to be inadequate, either because of developments which had implications that had not been anticipated at the time of Fund Board approval or, more frequently, especially for first-time reschedulings, because of substantial differences between debt service projections based on debtor and creditor data sources. In some other cases creditors provided more debt relief than had been assumed in the programs.

IV. Paris Club Policies vis-à-vis the Low-income Countries

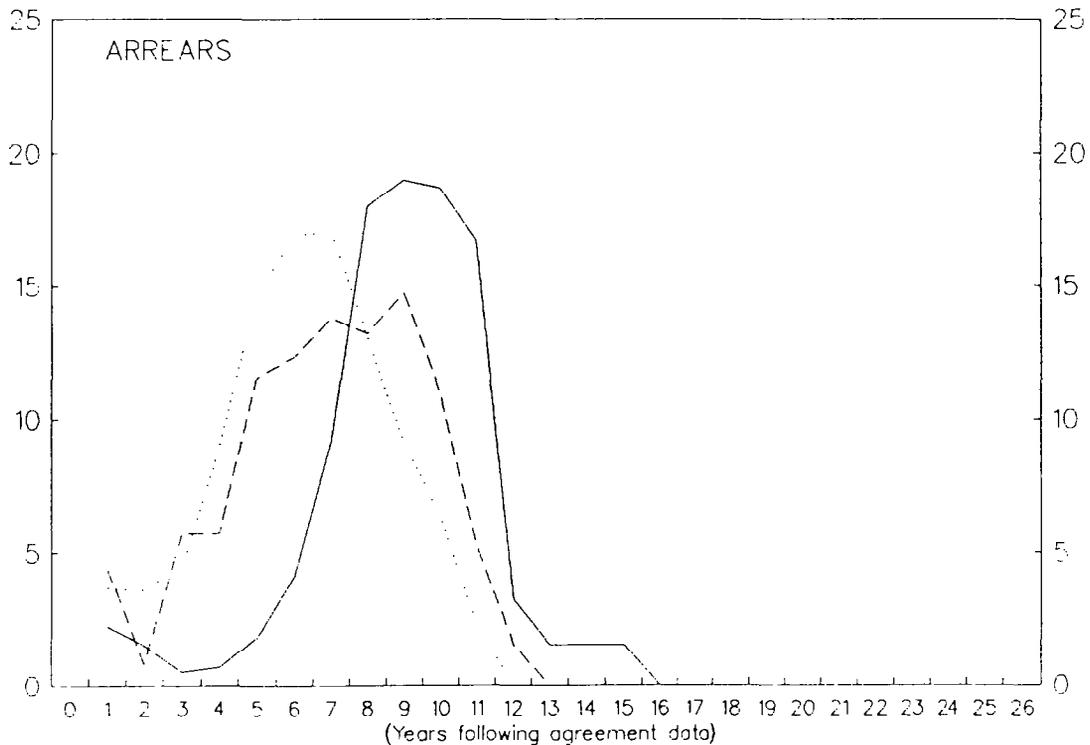
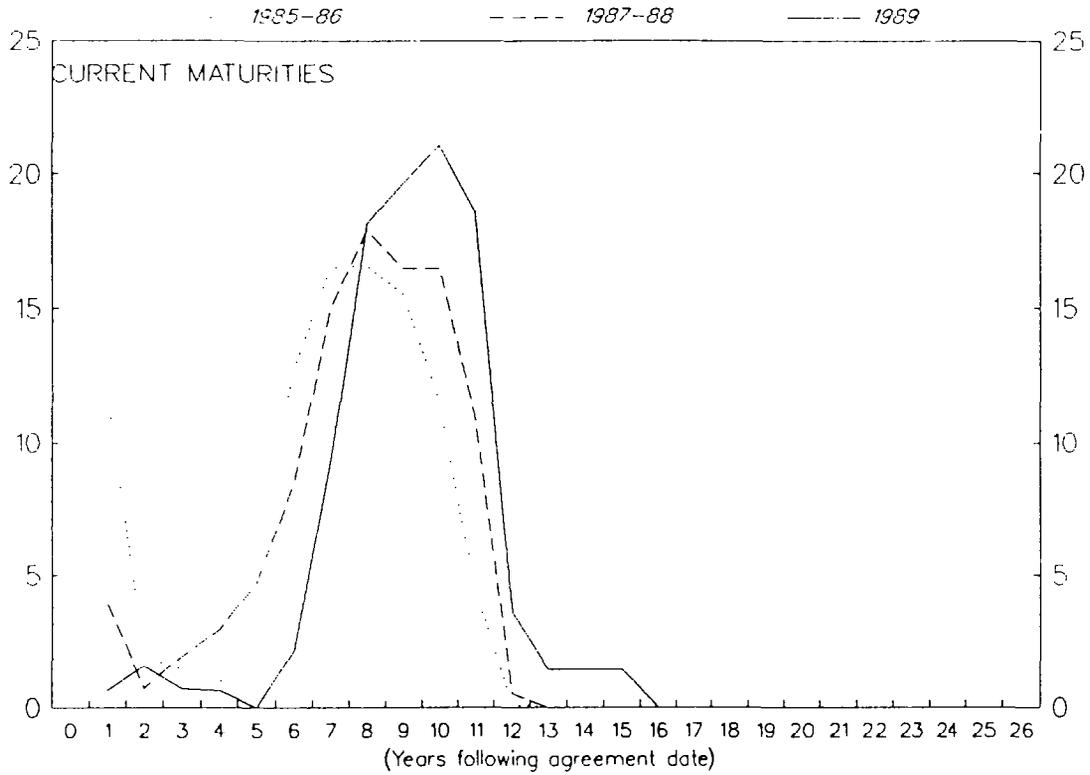
1. Overview of recent adaptations

Official creditors have provided through Paris Club reschedulings debt relief to a large number of low-income countries. SAF/ESAF-eligible countries account for half of the Paris Club rescheduling countries but were involved in nearly two thirds of the reschedulings since 1976 as most of these countries had repeatedly sought debt relief from the Paris Club (Chart 6). The reschedulings for these poorest countries had generally been relatively more comprehensive as regards

CHART 4

AVERAGE REPAYMENT SCHEDULE FOR CURRENT MATURITIES AND ARREARS FOR MIDDLE INCOME COUNTRIES, 1985-89¹

(in percent of total debt service covered by agreement)



Sources: Paris Club Agreed Minutes and Fund Staff Estimates.
¹Defined as countries not eligible for the SAF/ESAF.

the coverage and percentage of debts rescheduled than those for other creditors. However, given the protracted nature of their balance of payments problems, many of these countries often experienced serious difficulties in adhering to the repayment schedules from previous agreements largely because, as creditors recognized, the repeated application of standard terms over a long period had not provided an adequate response to the medium-term debt servicing problems of the poorest and most heavily indebted countries.

As a first step toward alleviating the future debt service burden resulting from successive reschedulings, creditors agreed in mid-1987 to lengthen for eligible countries the maturity period to between 15 and 20 years, including a lengthening of the grace period up to ten years. The rescheduling for Zaïre in May 1987 was the first to incorporate the longer maturities. This adaptation of rescheduling practices for the low-income countries was strongly endorsed by the creditor countries participating in the Venice summit meeting. Through the summer of 1988, ten low-income countries obtained extended repayment terms.

During the course of that period, various proposals were considered that would ease further the terms of debt rescheduling for the poorest countries. The Interim Committee communique of April 1988 noted that the burden of outstanding debt would continue to weigh heavily on some of the poorest countries and that the possibilities of applying lower interest rates to existing official debt for the poorest countries should be kept under close consideration. In June 1988 creditor countries participating in the Toronto summit meeting endorsed a menu approach to the rescheduling for the low-income heavily indebted countries including partial debt forgiveness, lower interest rates and a further lengthening of maturities. A consensus on the modalities of the menu approach was announced by the Paris Club in September 1988. The options approach was first applied in the case of Mali in October 1988 and a total of 15 countries benefited from concessional reschedulings since then. ^{1/} The rescheduling terms under the menu approach are now generally referred to as "Toronto terms."

2. The menu of options--"Toronto terms"

The menu consists of three rescheduling options that were designed to accommodate the various institutional, legal, and financial constraints of creditor governments. The choice of option (or combination of options) is made by each creditor country at the time of the multi-lateral rescheduling meeting. While creditors are free to vary their choice for different debtor countries and for different categories of debt, in practice only one creditor has made frequent use of these possibilities. All other aspects of the rescheduling agreement remain common to all creditors, notably the consolidation period, the specification of the debt service obligations covered by the agreement,

^{1/} Involving 16 rescheduling agreements. Mali obtained two concessional concessional reschedulings in this period.

and the arrangements regarding the implementation of the Agreed Minute. A summary of the options and the choices made by creditors in the rescheduling agreements through end-1989 that incorporated the menu approach is presented in Table 3.

One notable aspect of the menu was the specific provision made for the rescheduling of ODA debts which combined the longest repayment period under the options with an explicit reference to concessional interest rates. This provision represented an innovation in the Agreed Minute, but most creditors had already adopted the practice of granting concessional rates on rescheduled ODA debts in the context of the bilateral agreements that implement the Agreed Minute.

Over the last 10 years most creditor countries have announced and, in many cases, implemented debt forgiveness on ODA debts for the poorest countries on a bilateral basis; several countries announced comprehensive initiatives in this area in 1988-89. These initiatives have been taken bilaterally and have not been linked to multilateral debt rescheduling exercises. 1/

3. The implementation of the menu approach

The sixteen rescheduling agreements on Toronto terms concluded by Paris Club creditors consolidated slightly over US\$3 billion (Table 4). One country (Zaïre) accounted for more than half of this amount. The distribution of debt service consolidated over the three options was about even, but excluding Zaïre (which owes more than half of its debt to countries that chose Option B), some 40 percent was consolidated under each of the concessional Options A and C, and 20 percent under Option B, which does not contain concessional elements. 2/

The cancellation of debt service consolidated under Option A amounted to about US\$300 million which reduced the amount rescheduled under all options to 90 percent of debt service consolidated. The savings in moratorium interest payments on an annual basis are estimated at some US\$41 million, of which about US\$15 million from lower interest payments on debt service rescheduled under Option A, and the remainder from the direct reduction in interest rates under Option C. 3/ These

1/ Some creditor countries that announced ODA forgiveness initiatives more recently have made the implementation contingent upon the debtor country undertaking a Fund-supported adjustment program.

2/ In terms of a reduction in the present value of the debt. It may be argued that the very long maturities in Option B should be considered concessional because the repayment period for Option B starts only after repayments have been completed under Options A and C.

3/ These estimates allow for the fact that interest rates on rescheduled ODA debts are not reduced further (except for the effect of the cancellation of one third of ODA debts consolidated under Option A).

Chart 5: Official Multilateral Debt Renegotiations, 1979-1989

Consolidation Periods of Successive Rescheduling Agreements¹

Country	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	Country
1. Zaïre ²	(4)					(6)	(7)	(8)	(9)		(10)				1. Zaïre ²
2. Sierra Leone	(2)					(3)		(4)							2. Sierra Leone
3. Turkey	(2)	(1)													3. Turkey
4. Gabon ³	(1)														4. Gabon ³
5. Peru	(1)														5. Peru
6. Togo	(1)														6. Togo
7. Sudan	(1)														7. Sudan
8. Liberia	(1)														8. Liberia
9. Poland	(1)														9. Poland
10. Madagascar	(1)														10. Madagascar
11. C.A.R.	(1)														11. C.A.R.
12. Senegal	(1)														12. Senegal
13. Uganda	(1)														13. Uganda
14. Romania	(1)														14. Romania
15. Malawi	(1)														15. Malawi
16. Costa Rica	(1)														16. Costa Rica
17. Zambia	(1)														17. Zambia
18. Mexico	(1)														18. Mexico
19. Ecuador	(1)														19. Ecuador
20. Morocco	(1)														20. Morocco
21. Niger	(1)														21. Niger
22. Brazil ⁴	(1)														22. Brazil ⁴
23. Côte d'Ivoire	(1)														23. Côte d'Ivoire
24. Yugoslavia	(1)														24. Yugoslavia
25. Jamaica	(1)														25. Jamaica
26. Mozambique	(1)														26. Mozambique
27. Philippines	(1)														27. Philippines
28. Argentina	(1)														28. Argentina
29. Somalia	(1)														29. Somalia
30. Mauritania	(1)														30. Mauritania
31. Dom. Rep.	(1)														31. Dom. Rep.
32. Chile	(1)														32. Chile
33. Equat. Guinea ⁵	(1)														33. Equat. Guinea ⁵
34. Panama	(1)														34. Panama
35. Guinea	(1)														35. Guinea
36. Bolivia	(1)														36. Bolivia
37. Congo	(1)														37. Congo
38. Tanzania	(1)														38. Tanzania
39. Gambia	(1)														39. Gambia
40. Nigeria	(1)														40. Nigeria
41. Egypt	(1)														41. Egypt
42. Guinea-Bissau	(1)														42. Guinea-Bissau
43. Mali	(1)														43. Mali
44. Tr. & Tob.	(1)														44. Tr. & Tob.
45. Guyana	(1)														45. Guyana
46. Cameroon	(1)														46. Cameroon
47. Benin	(1)														47. Benin
48. Jordan	(1)														48. Jordan
49. Angola	(1)														49. Angola
50. Chad	(1)														50. Chad

Sources: Agreed Minutes of debt reschedulings, and Fund staff calculations.

Notes: 1, 2, 3, etc - start of successive consolidation periods since 1976 (see Table 1)

* - conditional future rescheduling or extension of consolidation period.

(- - consolidation date of arrears.

¹ The number of consolidation periods may, in some cases, exceed the number of rescheduling agreements due to conditional future consolidations becoming effective. Representation of dates is approximate.

² For rescheduling agreements 2 and 3, consolidation period overlaps with previous consolidations.

³ The 1978 rescheduling consolidated only arrears

⁴ Conditional consolidation period of second agreement did not become effective

⁵ The 1989 rescheduling consolidated only arrears at end 1988.

Table 3. Options and Choice of Options by Creditors
in Concessional Reschedulings, 1988-89

	Option A	Option B	Option C
<u>1. Consolidation of non-ODA debts</u>			
Overall maturity	14 years	25 years	14 years
Grace period	8 years	14 years	8 years
Cancellation <u>1/</u>	one third	--	--
Interest rate	market rate	market rate	market rate reduced by 3.5 percent <u>2/</u>
<u>2. Consolidation of ODA debts</u>			
Overall maturity	25 years	25 years	25 years
Grace period	14 years	14 years	14 years
Cancellation <u>1/</u>	one third	--	--
Interest rate	ODA rate	ODA rate	ODA rate
<u>3. Choice of options by creditors</u>			
	Finland	Belgium	Austria
	France	Japan <u>3/</u>	Canada
	Japan <u>3/</u>	Netherlands <u>4/</u>	Germany, Federal Republic of
		Spain	Israel
		Sweden <u>5/</u>	Japan <u>3/</u>
		United States	Kuwait
			Morocco
			Netherlands <u>4/</u>
			Norway
			South Africa
			Sweden <u>5/</u>
			Switzerland
			United Kingdom

Source: Agreed Minutes of debt reschedulings.

1/ As share of debt service consolidated under the option.

2/ The market rate is reduced by 50 percent if 50 percent is less than 3.5 percentage points, i.e. if the market rate is lower than 7 percent.

3/ Japan has chosen option A for ODA debts in the case of the least developed countries; option B for ODA debts in the case of other low-income countries; and option C for commercial credits.

4/ The Netherlands has generally chosen option B with the exception of credits to Tanzania.

5/ Sweden has generally chosen option C with the exception of the rescheduling for Zaire.

Table 4. Paris Club Concessional Reschedulings
October 1988-December 1989

(In millions of U.S. dollars; unless otherwise indicated)

	Debt service consolidated			Distribution			
	Total	of which option:			A	B	C
		A	B	C			
		(In percent of total)					
Mali	63	28	5	30	44	8	48
Madagascar	254	139	93	22	55	37	8
Tanzania	377	68	105	204	18	28	54
C.A.R.	28	12	2	14	43	7	50
Niger	48	40	5	3	83	10	7
Senegal	143	92	14	37	64	10	26
Uganda	89	8	3	78	9	3	88
Equatorial Guinea ^{1/}	10	--	7	3	--	70	30
Guinea	123	66	26	31	54	21	25
Mauritania	52	26	13	13	50	25	25
Togo	76	26	18	32	34	24	42
Benin	193	63	28	102	33	15	52
Zaire	1,530	300	820	410	20	54	26
Chad ^{1/}	38	35	1	2	92	3	5
Guinea-Bissau	21	4	3	14	20	13	67
Mali	44	20	4	20	46	8	46
Total	<u>3,089</u>	<u>927</u>	<u>1,147</u>	<u>1,015</u>	<u>30</u>	<u>37</u>	<u>33</u>
Total (excluding Zaire)	1,559	627	327	605	40	21	39

	Grant element ^{2/} (percent)	Amounts canceled	Interest Savings			Savings as percent of amount consolidated
			Total	of which option A	of which option C	
Mali	27.5	9.3	1.1	0.4	0.7	1.8
Madagascar	20.4	46.3	2.6	2.1	0.5	1.0
Tanzania	20.6	22.7	5.1	0.9	4.2	1.4
C.A.R.	27.6	4.0	0.5	0.2	0.3	1.7
Niger	29.2	13.3	0.7	0.6	0.1	1.5
Senegal	28.2	30.7	2.2	1.4	0.8	1.5
Uganda	26.6	2.7	2.1	0.1	2.0	2.4
Equatorial Guinea ^{1/}	8.1	--	0.1	--	0.1	0.8
Guinea	24.5	22.0	1.7	1.0	0.7	1.4
Mauritania	23.3	8.7	0.7	0.4	0.3	1.4
Togo	22.7	8.7	1.2	0.4	0.8	1.6
Benin	25.0	21.0	3.6	1.1	2.6	1.9
Zaire	13.7	100.0	17.5	5.7	11.8	1.1
Chad ^{1/}	31.8	11.7	0.5	0.5	0.0	1.4
Guinea-Bissau	24.5	1.4	0.4	0.1	0.3	1.7
Mali	27.6	6.7	0.9	0.4	0.5	2.0
Total	<u>18.8</u>	<u>309.0</u>	<u>41.0</u>	<u>15.3</u>	<u>25.7</u>	<u>1.3</u>
Total (excluding Zaire)	23.8	209.0	23.5	9.6	13.9	1.5

Sources: Paris Club Agreed Minutes; and Fund staff estimates.

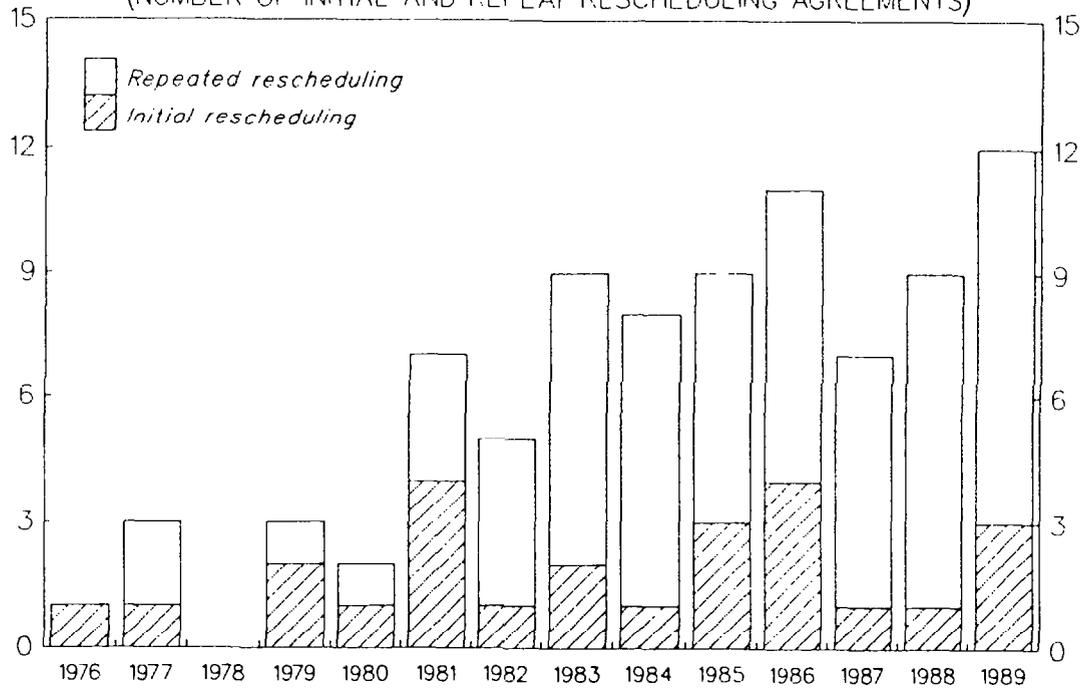
^{1/} Terms of the consolidation are based on agreement among creditors on terms of reference for bilateral reschedulings. See also footnote 20 of Table 1.

^{2/} Calculated on the basis of a discount rate of 10 percent; excludes the consolidation of ODA debts.

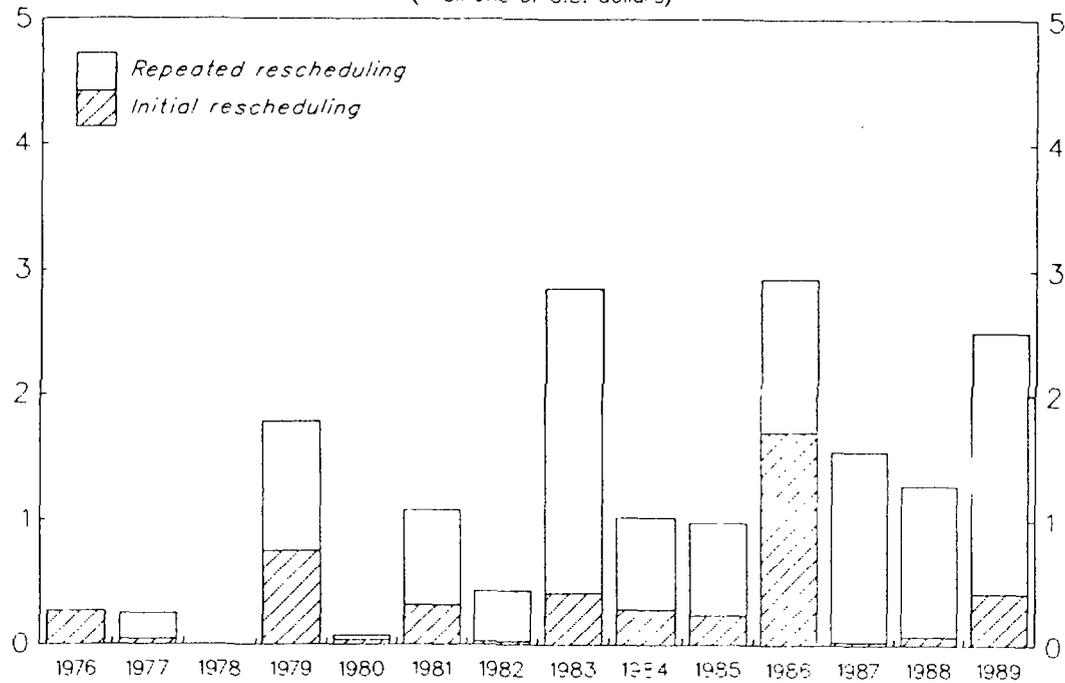
CHART 6

OFFICIAL MULTILATERAL DEBT RENEGOTIATIONS
FOR SAF/ESAF-ELIGIBLE COUNTRIES, 1976-1989

(NUMBER OF INITIAL AND REPEAT RESCHEDULING AGREEMENTS)



AMOUNT RESCHEDULED
(in billions of U.S. dollars)



Source: Paris Club Agreed Minutes and Fund Staff Estimates

savings, amounting to some 1.3 percent of the total amounts consolidated, increase cash flow relief during the consolidation period only marginally but represent a substantial reduction in moratorium interest payments during the grace period of some 20 percent relative to previous rescheduling terms. Thus, while reschedulings on Toronto terms provide little additional immediate financing, the options approach enhances the progress toward medium-term viability. Since the Paris Club reschedules debt service obligations falling due during a specific consolidation period, however, a significant improvement in the concessionality structure of the stock of debt can only be achieved through successive reschedulings over a number of years.

The consolidations on Toronto terms incorporate an average grant element of about 20 percent compared with the minimum grant element of 25 percent specified in the definition of concessionality of the OECD's Development Assistance Committee (DAC), well below the minimum grant element of 50 percent employed by the OECD Consensus on mixed export credits or the typical grant element of bilateral concessional assistance, assistance provided on IDA terms or the resources provided from the SAF and ESAF. ^{1/} It should be noted, however, that this calculation measures only the additional grant element directly attributable to the application of Toronto terms and does not take into account the grant element inherent in the rescheduling of ODA debts on ODA terms.

In implementing the options approach, creditors have stressed that debt relief is to be considered exceptional financing for countries in severe debt servicing difficulties. They have continued to underline that concessional reschedulings for the poorest countries should not be seen as a substitute for aid flows on highly concessional terms. Creditors have also stated that debt service arising from reschedulings on Toronto terms would be exempt from possible future consolidations.

Creditors have emphasized that the application of concessions was to be limited to the poorest countries which were not in a position to service debts on commercial terms. The Agreed Minutes for concessional reschedulings refer in particular to very heavy debt service obligations in conjunction with very low per capita income, ^{2/} chronic balance of payments problems, and the implementation of a strong adjustment program.

Eligibility for Toronto terms is decided on a case by case basis in light of these broad criteria. Rescheduling countries that are eligible for the SAF and ESAF would generally meet these criteria but creditors have accorded concessional treatment so far only to African countries. This reflected in part legislative constraints in a number of creditor

^{1/} The calculation of the grant element is based, as in the DAC definition, on a discount rate of 10 percent.

^{2/} As indicated, for example, by IDA-only status.

countries that confined budgetary allocations for the concessions to a specific list of eligible countries with specific geographic limitations which was not amenable to quick changes. Since the adoption of the options approach in October 1988, all SAF/ESAF-eligible African countries that had multilateral official debt reschedulings through the Paris Club have received concessional terms. The two non-African SAF/ESAF-eligible countries that obtained reschedulings during this period obtained very comprehensive coverage, but on standard terms (in the case of Bolivia) or on extended maturities (in the exceptional case of Guyana).

The reschedulings on Toronto terms were in all cases very comprehensive, covering 100 percent of debt service payments falling due on pre-cutoff date debt, including in most cases all previously rescheduled debts. Arrears were generally covered and consolidated under the same terms as current maturities, but creditors usually exempted arrears on debts that had not been covered by previous consolidation from the rescheduling on concessional terms and deferred payments over a short period of one to two years.

4. Summary of experience, 1986-89

The evolution of Paris Club rescheduling practices for the low-income countries since 1986 is summarized in Table 5. The adaptations in creditors' policies closely parallel the shift in Fund support from general resources under stand-by arrangements to resources from the SAF and ESAF.

Since 1986, Paris Club creditors concluded 39 reschedulings for low-income countries. In 1986 all eleven reschedulings were on standard terms, and all were based on a Fund stand-by arrangement (6 countries also had an arrangement under the SAF). In the following year, all seven low-income countries that came to the Paris Club received extended maturities, and all had a SAF arrangement. Similarly, in 1988-89, all but two of the low-income countries that obtained Paris Club rescheduling reschedulings had programs which were supported by Fund resources under the SAF and ESAF. 1/

It is noteworthy that a significant number of low-income countries with Fund-supported programs did not require Paris Club reschedulings (see also Appendix I, Table 21). Of the 82 Fund arrangements approved during 1986-89, 34 did not require exceptional financing in the form of debt relief, and of the 35 countries that had arrangements from the Fund during this period, 40 percent did not reschedule, including two low-income countries that graduated from reschedulings under programs supported by ESAF arrangements (The Gambia and Malawi).

1/ Madagascar obtained a rescheduling in 1988 on the basis of a stand-by arrangement, but has since moved to an ESAF arrangement; for Guyana, creditors rescheduled on the basis of Fund-monitored program.

Table 5. Paris Club Reschedulings and Fund Arrangements
for SAF/ESAF Eligible Countries, 1986-89

	1986	1987	1988	1989	<u>1986-89</u> Total
<u>1. Type of Fund arrangement associated with rescheduling</u>					
Number of reschedulings	<u>11</u>	<u>7</u>	<u>9</u>	<u>12</u>	<u>39</u>
SBA only	5	--	1	--	6
SBA and SAF/ESAF <u>1/</u>	6	4	3	1	14
SAF arrangement only	--	3	3	7 <u>2/</u>	13
ESAF arrangement only	--	--	2	3	5
Fund-monitored program				1	1
<u>2. Rescheduling terms</u>					
Number of reschedulings	<u>11</u>	<u>7</u>	<u>9</u>	<u>12</u>	<u>39</u>
Standard terms	11	--	1	--	12
Extended maturities		7	3	1	11
Menu approach	--	--	5	11	16
<u>3. Fund arrangements approved for all SAF/ESAF-eligible countries</u>					
Total countries	<u>16</u>	<u>19</u>	<u>22</u>	<u>25</u>	<u>82</u>
SBA/EFF only	7	--	1	1	9
SBA/EFF and SAF/ESAF <u>1/</u>	7	7	5	1	20
SAF arrangement only	2	12	11	12	37
ESAF arrangement only	--	--	5	10	15
Fund-monitored program	--	--	--	1	1
<u>4. Fund arrangements approved for all SAF/ESAF-eligible countries that did not require Paris Club reschedulings <u>3/</u></u>					
Total countries	<u>5</u>	<u>7</u>	<u>10</u>	<u>12</u>	<u>34</u>
SBA/EFF only	2	--	--	1	3
SBA/EFF and SAF/ESAF <u>1/</u>	1	2	2	--	5
SAF arrangement only	2	5	6	7	20
ESAF arrangement only	--	--	2	4	6
<u>5. SAF/ESAF-eligible countries that had arrangements from the Fund</u>					
Total number of countries <u>4/</u>	<u>16</u>	<u>24</u>	<u>31</u>	<u>35</u>	
Rescheduling countries	11	14	18	21	
Nonrescheduling countries	5	10	13	14	

Source: Appendix I, Tables 20 and 21.

1/ In several cases, stand-by and SAF/ESAF arrangements were approved at different times during the year.

2/ Includes the rescheduling for Mali in 1989 which was based on an extension of the existing SBA, but contains two extensions of the consolidation period contingent on approval of the second and third annual SAF arrangement.

3/ Includes the arrangements for Togo in 1986, Chad and the Central African Republic in 1987, The Gambia in 1987 through 1989 and Malawi in 1989 all of which did not require reschedulings.

4/ The Gambia and Malawi are included under nonrescheduling countries starting in 1987 and 1989, respectively.

The effects of the evolution in Paris Club rescheduling terms are illustrated in Chart 7 which compares average repayment terms for current maturities since 1986 under standard terms, extended maturities, and Toronto terms. The upper panel presents average annual principal repayments as a percentage of amounts consolidated in Paris Club reschedulings for all SAF/ESAF eligible countries. This presentation shows the effects of cancellations under Option A, but cannot take into account the effects of the reduction in interest rates under Option C. The lower panel, therefore, presents total debt service payments per year, including moratorium interest, as a percentage of the amounts consolidated. Until year 20 (after the agreement date) the schedule of debt service payments from reschedulings under Toronto terms remains uniformly below the debt service payments under the previous preferential treatment with the exception of year 10 because of the shorter grace period under Toronto terms. The reduction in debt service payments is particularly pronounced during the grace period reflecting the lower moratorium interest payments.

Successive reschedulings on Toronto terms would progressively widen the difference in payments on rescheduled debts. However, assuming continued consolidations of scheduled interest payments on pre-cutoff date debts (but excluding moratorium interest from concessional reschedulings), the stock of pre-cutoff date debt would continue to increase because the capitalization of interest under all options is not offset by the cancellation of one third of debt service payments under Option A. The rate of increase in the stock would be considerably lower than under past rescheduling practices, however, and the average interest rate on the stock would decline somewhat.

V. Comparability of Treatment

1. Recent developments

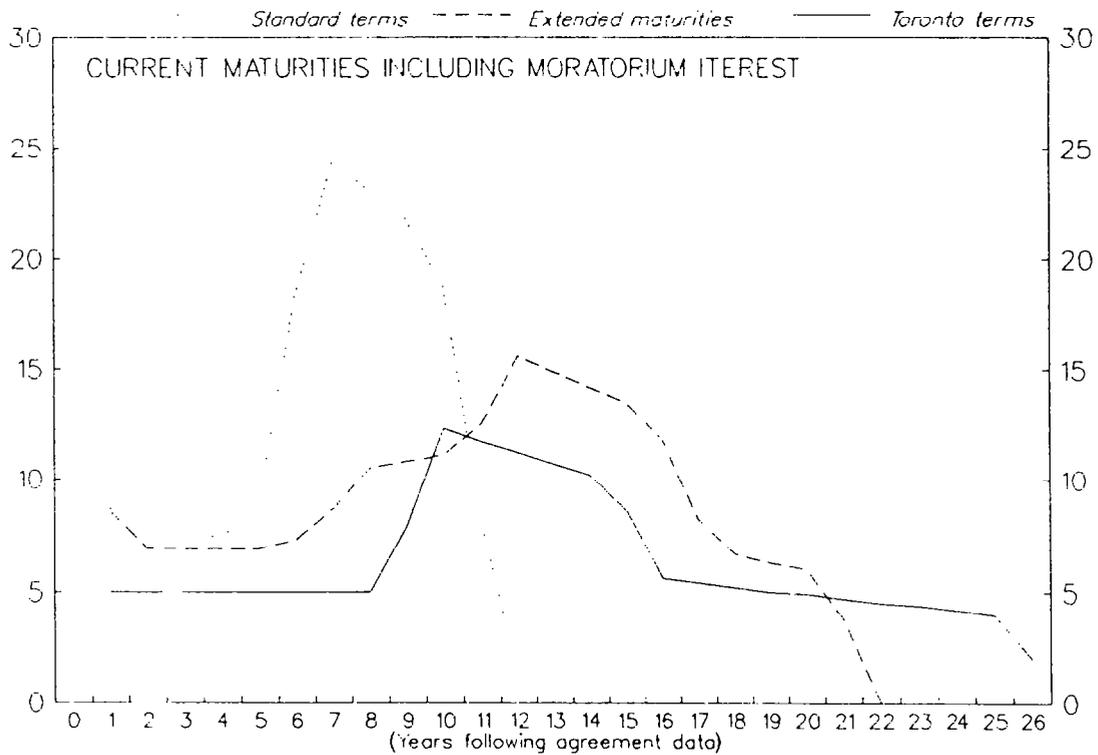
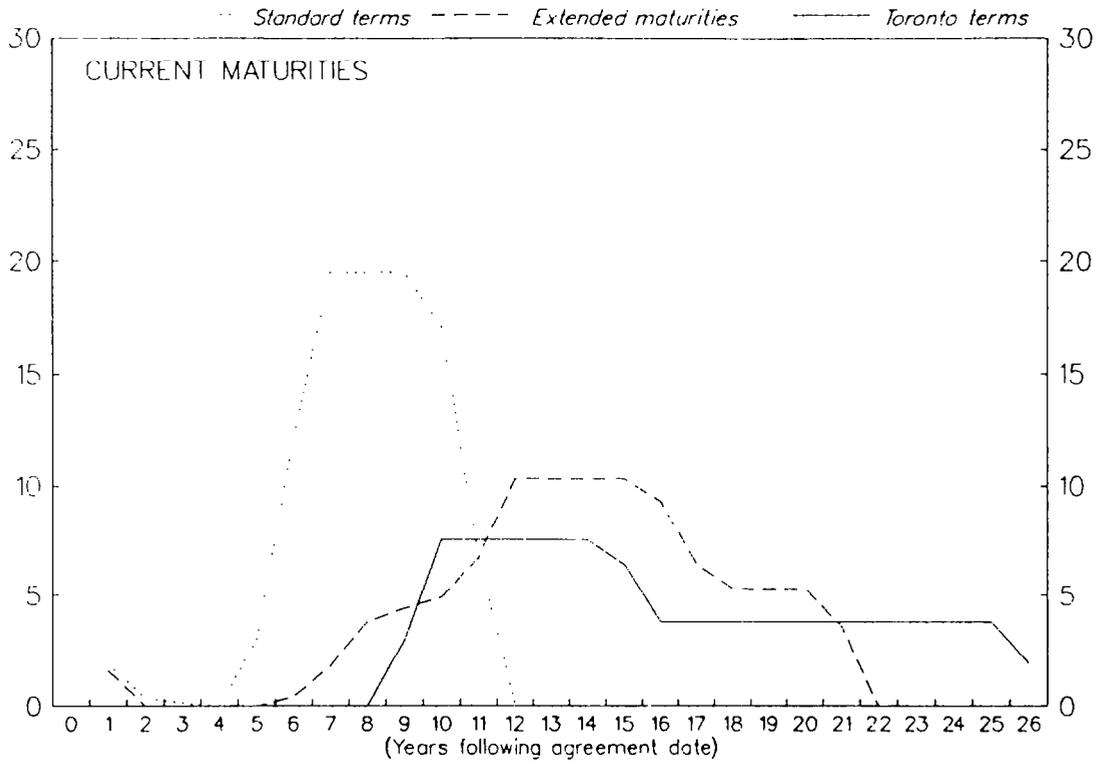
Paris Club negotiations have always given special consideration to the principle that the debtor country should seek comparable treatment from its various creditors, and comparability provisions have long been a standard feature in the Paris Club Agreed Minutes. Paris Club creditors expect a debtor to obtain comparable debt relief from all other creditor groups to which it has significant debt service obligations with the notable exception of the multilateral institutions, whose preferential status has long been accepted by official creditors.

The principle of equitable burden sharing among participating official creditors is formally reflected in the access clause of the Agreed Minutes. This clause requires all participating creditors to report to the Chairman of the Paris Club the contents of the bilateral agreements. Agreed Minutes also invariably contain an initiative clause and a most-favored nation clause to ensure that the debtor country takes steps to obtain comparable treatment from other official and private creditors. The initiative clause commits the debtor to seek to secure

CHART 7

EVOLUTION OF RESCHEDULING TERMS OF SAF/ESAF - ELIGIBLE COUNTRIES, 1986-89

(Average repayment schedule for current maturities in percent of total debt service covered by agreement)



Sources: Paris Club Agreed Minutes and Fund Staff Estimates.



from all external creditors comparable rescheduling on credits of comparable maturity and to negotiate promptly with all other creditors. The most-favored nation clause more specifically commits the debtor to accord creditors not participating in the Agreed Minute no more favorable treatment than that accorded to Paris Club creditors. The Agreed Minute also contains a provision whereby the debtor country agrees to keep the Chairman of the Paris Club informed on the contents of the agreements reached with other creditors; in most recent cases this provision also specified a deadline for the submission of this report, usually the end of (the first tranche of) the consolidation period.

Official creditors have further underscored the importance they attach to comparable treatment by including in all recent goodwill clauses a provision stipulating that the conclusion of effective arrangements with other creditors will be a precondition of a subsequent consolidation by the Paris Club. 1/ In practice, this provision has been interpreted flexibly, and while progress made with other creditors has influenced creditors' attitudes in subsequent reschedulings, further meetings have not been delayed because of a lack of comparable arrangements with all other creditors. This reflected in part the fact that most of the rescheduling countries in recent years have been low-income African countries mainly indebted to official creditors.

During 1989, however, with the return to the Paris Club of debtor countries which have significant, and often much larger debts to other creditors, Paris Club creditors reaffirmed the importance they attached to comparable treatment. As one step towards achieving a more equitable burden-sharing, creditors introduced into the Agreed Minute for a number of recent repeat reschedulers a provision calling for an interim written report on the progress in negotiations with other creditors precisely because arrangements with nonparticipating creditors according to the previous Agreed Minute had not been reached in a timely or fully comparable manner.

Progress reports were also called for in those cases where agreement with commercial creditors had not been reached prior to Fund approval of the debtor country's arrangement for use of Fund resources. Moreover, even though the validity of the rescheduling agreement is not affected by the failure of the debtor country to seek comparable debt relief, Paris Club creditors explicitly conditioned the extension of the consolidation periods for Mexico and the Philippines on progress with other creditors. 2/

1/ This clause, first introduced in 1985 in the Agreed Minute for Mauritania, also requires that the debtor country provide a written report on the arrangements concluded with other creditors.

2/ A similar condition was used previously only in the case of Brazil in 1987 when the effectiveness of a short extension of the consolidation was explicitly conditioned on the completion of a financing package with commercial banks. In the event, the conditional extension did not become effective.

2. Nonparticipating official creditors

Paris Club negotiations are open to all governments that have extended credits to the debtor country and that are prepared to accept the policies and procedures of the Club. Participants have traditionally been mostly industrial countries, but developing countries have participated as creditors in an increasing number of recent reschedulings (Appendix I, Table 6). There have even been instances in recent years where a country participated in Paris Club sessions as debtor one day and creditor the next. Major official creditors that did not participate in the Paris Club but in fact provided debt relief on a bilateral basis include certain centrally planned economies (Eastern European countries and China) and some Middle Eastern countries. Also, *some developing countries that had participated as debtors in Paris Club reschedulings chose not to participate as creditors even in those cases where debt service owed to them was significant.*

Paris Club creditors have also reaffirmed that the comparability provision applies to service on all types of debt, including untied concessional development assistance and loans repayable in commodities. In recognition of the diverse legal and institutional constraints faced by various creditor countries, Paris Club creditors have noted that it is not the form the restructuring takes (rescheduling vs. refinancing) but rather the effective debt relief provided in cash flow terms that is relevant in assessing comparable action. In particular, Paris Club creditors have emphasized that refinancing loans must provide equivalent untied cash relief over the relevant consolidation period. Thus, disbursements from tied project financing or linked directly to imports do not qualify as refinancing loans for the purpose of establishing comparable action.

The failure of a debtor country to conclude rescheduling agreements with creditors not participating in the Paris Club can have implications for its performance under a Fund arrangement. The Fund regards the conclusion of the multilateral Agreed Minute of the Paris Club as a satisfactory basis for determining, with respect to the financing of a program, that the debt relief from official creditors has been obtained, and any associated payments arrears eliminated. ^{1/} In the case where some official creditors choose not to be represented in the Paris Club, the Fund considers that such creditors could seek a bilateral agreement on the same terms, and within the same time limit (the bilateral deadline), as specified in the Paris Club Agreed Minute. The Fund judges on a case-by-case basis the implications for program performance of failure to conclude by the stipulated date bilateral agreements with Paris Club creditors as well as with official creditors not participating in the Paris Club, taking into account whether the debtor country has made its

^{1/} For purposes of Fund jurisdiction under Articles VIII and XIV, however, the restriction entailed in the payments arrears continues until eliminated pursuant to final agreement between the parties concerned.

best efforts to comply with the bilateral deadline. Therefore, while the enforcement of the principle of comparable treatment is a matter among creditors, the Fund takes into consideration the actions of all creditors when assessing the viability of, and progress under, a Fund-supported program. ^{1/}

3. Commercial banks

a. Recent trends

Official creditors have attached special importance to the conclusion of comparable rescheduling agreements with a country's bank creditors as indicated by the specific references to banks in both the initiative clause and the goodwill clause. Similarly, the banks have often required that countries that approach them for debt rescheduling also seek debt relief from official creditors. Both groups have, however, placed less emphasis on this provision in cases where debt service falling due to the other group was small. In practice, this approach had been reflected in the fact that official creditors have made considerably greater efforts for the low-income countries (including concessional reschedulings in many cases) while banks were expected to make similarly greater efforts (including new money in lieu of rescheduling interest) in those largely middle-income cases where bank debt clearly dominates.

In the first few years following the emergence of wide-spread debt servicing difficulties, the efforts by banks and official creditors to secure equitable burden-sharing had been evidenced by the parallel pace of bank and official restructurings. Bank restructurings usually preceded or closely followed Paris Club reschedulings. In recent years, however, these links have loosened, especially during the implementation phase of the debt restructuring as commercial banks in some cases did not come forward with the financing as anticipated after official creditors had concluded their rescheduling agreement (Appendix I, Table 22). In other cases, negotiations with commercial banks on appropriate financing packages proved to be protracted, thus contributing to delays in the implementation of adjustment programs that could be supported by the Fund.

In response to these difficulties and the need for debt and debt service reduction on commercial bank debt for some debtor countries, the Fund established, in May 1989, guidelines for Fund support of market-based debt and debt-service reduction operations for countries implementing comprehensive medium-term adjustment programs. The Fund also adapted its policy on financing assurances in light of the changed financial environment and the possibility that in some cases significant

^{1/} See "The Role of the Fund in the Settlement of Disputes Between Members Relating to External Financial Obligations (SM/84/89, 4/25/84) and the Acting Chairman's summing up of EBM/84/89, 6/22/84.

time might be needed for banks and the debtor country to agree on an appropriate financing package. In such circumstances, and on a case-by-case basis, an arrangement could be approved outright before the conclusion of such negotiations, provided that prompt Fund support was judged essential for program implementation, that negotiations between the debtor country and its bank creditors had begun, and that it could be expected that a financing package consistent with external viability would be agreed within a reasonable period of time. The policy recognizes that an accumulation of arrears to banks may have to be tolerated where negotiations continue and a country's financial situation does not allow them to be avoided; the situation is to be monitored closely and progress in negotiations to be reviewed quarterly. The Fund's policy of allowing for no new arrears to official creditors during the program period remained unchanged.

As noted in Section III, the Fund has since applied the adapted guidelines on financing assurances in the approval of arrangements for six countries that also required Paris Club reschedulings. Mexico and the Philippines have reached agreement with their bank creditors and Costa Rica reached a preliminary agreement; negotiations with commercial banks are still ongoing in the cases of Argentina, Côte d'Ivoire, and Ecuador. The proposed bank financing packages all incorporate, or are expected to incorporate, debt and debt service reduction operations as part of the menu.

Bank debt renegotiations of other countries that rescheduled in 1989 have followed more traditional lines, especially for the first-time reschedulers Cameroon, Jordan, and Trinidad and Tobago (which required a Paris Club rescheduling of principal only). In the case of Gabon, bank creditors had already restructured the stock of debt, but Gabon did not request a new money package in light of the doubling of overall exposure by commercial banks during the previous two years. Nigeria reached agreement with bank creditors shortly after the Paris Club rescheduling meeting, while Zaïre negotiated a continuation of an agreement, already in effect for several years, which deferred principal payments but required interest payments approximating current interest due.

b. Issues in the measurement of comparability

Differences between official and private creditors make it somewhat more difficult than in the case of nonparticipating official creditors to define what constitutes comparable treatment between these two groups and to make an assessment of whether comparability has been achieved. The difficulty arises in part from the different environment in which these two groups operate which has resulted in different approaches to the provision of debt relief and new financing to debtor countries. The introduction of a menu approach by commercial banks and the recent broadening of the approach to include direct debt and debt service

reduction further complicated the task of implementing comparability between banks and official creditors.

Typically, Paris Club creditors reschedule part or all of both principal and interest falling due during the consolidation period. By contrast, banks have almost always rescheduled varying percentages of principal only. In some cases, banks have contributed to the financing of a debtor country's adjustment program by agreeing to provide specified amounts of new credits, and creditors have considered these "new money" packages as comparable to the rescheduling of interest by the Paris Club.

More generally, official creditors have been implementing a strategy of debt subordination through strict maintenance of established cutoff dates and the exclusion from rescheduling of short-term debts while banks have often rescheduled recently extended credits and also generally included short-term credits into the base for calculating new money packages. In most cases, however, banks had extended new credits largely in the context of new money packages which should be compared to the rescheduling of interest on pre-cutoff date debt by official creditors rather than to new officially supported credits. Paris Club creditors have also applied a "de minimis" rule, while bank financing packages typically included all banks. In contrast to banks, however, official creditors have not restructured the stock of debt outstanding but only rescheduled debt service payments falling due or debt service in arrears. ^{1/} Finally, while banks have begun to agree to debt and debt service reduction operations, official creditors have not engaged in such operations except recently in the context of the menu approach for the poorest countries, and then only with respect to debt service payments over the consolidation period. Official creditors have, however, provided substantial concessions in the form of bilateral aid to a wide range of countries.

Given the fundamental differences in approaches taken by the two groups of creditors to the provision of financial support for debtor countries, and, more specifically, to the rescheduling and refinancing of existing debts, no single quantitative indicator can capture the range of factors that need to be taken into account in assessing comparability. Paris Club creditors have, therefore, developed a number of measures to guide their assessment, on a case-by-case basis, of what constitutes equitable burden-sharing, taking into account various definitions of the relative contributions of official and private creditors.

^{1/} The final reschedulings with Indonesia in 1970 and Ghana in 1974 are the only two cases of multilateral official debt reschedulings over the past 30 years where the consolidation period was extended to final maturity of the debts covered (Appendix I, Table 23).

Debt and debt service reduction operations by commercial banks in some recent cases have complicated creditors' assessment, partly because the precise actions taken by banks were not known at the time of the multilateral rescheduling. This raised concerns whether banks would in fact come forward with adequate and comparable financing in terms of cash flow support. More generally, an evaluation of burden-sharing in terms of relative cash contributions during the consolidation period does not integrate the different approaches in a medium-term framework. In principle, the analysis can be extended to evaluate the cash flow consequences of debt and debt service reduction operations over longer periods. The issues arising in the actual implementation of comparability, however, are becoming more complex as the resolution of debt servicing problems is increasingly including more far-reaching debt relief.

4. Nonguaranteed suppliers

In addition to debt owed to commercial banks, a debtor country usually has also some obligations to other private creditors abroad, mainly comprising private suppliers of goods and services without the guarantee of official creditor agencies. The amounts to these creditors tend to be small, but attention has been focused in recent years on the foreign exchange required to continue servicing nonguaranteed suppliers' credits in cases where such obligations were large, and on the consequent greater burden this implied for other creditors.

In most cases there are a large number of suppliers, each holding relatively small claims, located in various countries and facing different legal and financial constraints. Moreover, available information on these obligations remains deficient for virtually all debtor countries, and the administrative costs of improving the data and establishing a framework to restructure such debt service could be so high as to outweigh the potential savings in foreign exchange. For this reason, the majority of countries that had Paris Club reschedulings have continued to opt either to remain current on some or all of these obligations or, when substantial arrears had been accumulated, to settle them as part of an overall plan for the phased elimination of arrears. Available data indicate that in many cases the elimination of arrears involved substantial discounts from the face value of the obligations.

Official Multilateral Debt Renegotiations: Framework

Official multilateral debt renegotiations deal with the rescheduling of debt service payments on loans extended by, or guaranteed by, the governments or the official agencies of the participating creditor countries. They are normally, though not exclusively, undertaken under the aegis of the Paris Club. The Club has neither a fixed membership nor an institutional structure; rather it represents a set of practices and procedures that have evolved since the first such ad hoc meeting was convened for Argentina in 1956. Meetings are open to all official creditors that accept those practices and procedures.

The rescheduling exercise is initiated by the debtor country sending a formal request for a meeting to the Chairman of the Paris Club (who, by tradition, is an official of the French Treasury). The debtor supplies a breakdown of external debt service payments due by creditor on the basis of which the Chairman, in consultation with the debtor, sends invitations for a meeting to individual creditor countries. The Fund, the World Bank, the United Nations Conference on Trade and Development and, where relevant, the regional development bank concerned are invited to make presentations at the meeting. Official creditors meet with the debtor to negotiate an agreement (the Agreed Minute) which is then signed ad referendum by all creditor countries attending the meeting unless the amounts owed to them that would have been covered by the rescheduling agreement are less than a prescribed amount (the "de minimis" level), in which case creditor countries do not reschedule but may attend as observers.

The Agreed Minute sets out the broad terms of rescheduling that the participants recommend to their respective governments be incorporated in the subsequent bilateral agreements between the debtor and each creditor country. These bilateral agreements form the legal basis for the debt rescheduling and establish the interest rates on the debt rescheduled. The date by which such agreements are to be signed is specified in the Minute.

Official creditors require two preconditions for the initiation of a debt renegotiation. They must be convinced, first, that the debtor country will be unable to meet its external payments obligations unless it receives debt relief and, second, that the debtor country will take the steps necessary to eliminate the causes of its payments difficulties and to achieve a durable improvement in its external payments position. For countries that are Fund members, creditors rely on the Fund to help the debtor country design appropriate adjustment measures and have therefore generally required that an upper credit tranche arrangement with the Fund be in place prior to the initiation of debt renegotiations.

Since early 1987 Paris Club creditors have also accepted arrangements under the structural adjustment facility (SAF) and the enhanced structural adjustment facility (ESAF) as evidence of

appropriate adjustment policies being undertaken by the debtor countries. Through end-1989, Paris Club creditors conditioned thirteen reschedulings on arrangements under the SAF and five reschedulings on arrangements under the ESAF.

The serial rescheduling agreements concluded in 1985 and 1986 with some debtor countries represent an exception to the requirement of an upper credit tranche arrangement with the Fund throughout the consolidation period. In those cases it was agreed that, provided the debtor had already achieved significant adjustment with the support of upper credit tranche arrangements, some or all of the stages of the serial rescheduling would be conditional on the satisfactory implementation of an economic program within the framework of enhanced surveillance. This latter procedure had been developed by the Fund to assist the restoration of normal market relations between creditors and debtor countries. The multiyear rescheduling agreements concluded in 1989, however, were all based on multiyear Fund arrangements; two of the arrangements under the extended facility, one on arrangements under the SAF.

Implementation of Agreed Minute

While the Agreed Minute sets out the general terms of the debt restructuring, except with regard to interest rates, the bilateral agreements concluded between the debtor country and each creditor country are the legal basis implementing the restructuring. Some creditor countries require, in addition to a framework bilateral agreement, that the debtor country conclude individual agreements implementing that bilateral with various national lending agencies involved in the rescheduling.

Under the provisions contained in the Agreed Minute, the debtor country is expected to conclude the bilateral agreements with each individual creditor country without undue delay and, in any case, by the bilateral deadline (Appendix I, Table 9). The period between the date of the Agreed Minute and the bilateral deadline has averaged close to seven months in recent years. Official creditors will normally not agree to a meeting on a new rescheduling until the bilateral agreements implementing the previous Agreed Minute have been signed. For a variety of reasons debtor countries have often failed to conclude bilateral agreements by the deadline specified in the Agreed Minute. There were sometimes administrative problems, particularly in cases where a relatively large number of creditors were involved, in setting a mutually convenient negotiation schedule. In part, this has reflected also the fact that some major creditor countries had participated in over 50 Paris Club negotiations in the last three years and, therefore, had to negotiate a corresponding number of bilateral agreements. In addition, difficult technical and legal issues have sometimes arisen in the compilation and verification of the relevant data and claims. This has been a particular problem in the case of the first rescheduling and where questions related to long-standing arrears had to be resolved. The reconciliation of data related to short-term trade arrears has been

particularly difficult. Also, in some cases, there have been protracted negotiations on the interest rates to be applied to rescheduled amounts.

On occasion, despite best efforts by the debtor country in negotiating with creditors, delays in the completion of a few of the bilateral agreements have occurred; in these instances, the official creditors concerned have generally been willing to proceed with a new consolidation. In such instances, the effectiveness of the new Agreed Minute may be conditioned on the conclusion of outstanding bilateral agreements under the previous Agreed Minute.

Since interest rates are not determined until bilateral agreements are negotiated, the debtor typically does not begin to make moratorium interest payments until then. This results in a bunching of interest payments which otherwise would have been spread over the consolidation period. This bunching of payments at times has created problems when obligations on the rescheduled debt accumulated to a point where the debtor was unable to make the required payments following the signature of the bilateral agreements. This may have reflected unforeseen external factors in some instances but in other cases was due to policy slippages in the implementation of the adjustment programs; moreover, the emergence of new external payments arrears had serious implications under the Fund arrangement. To facilitate the implementation of the Agreed Minute, certain debtor countries have, therefore, agreed to establish a special account with a central bank of one of the participating creditor countries into which monthly deposits would be placed. The overall amount to be deposited is calculated so as to approximate the amounts payable to all participating creditors during the consolidation period. While regular servicing of a special account can send a positive signal to official creditors, the establishment of a special account alone has not ensured the full implementation of the Agreed Minute as some debtor countries have failed to make the required monthly deposits.

All Paris Club Agreed Minutes include provisions that govern the payment of nonrescheduled debts to Paris Club creditors. The provisions stipulate that nonrescheduled amounts should be paid as scheduled but no later than a specified date. This date has generally been set about 3 months after the date of the Agreed Minute, but has been extended significantly in some cases. Nonrescheduled amounts include, notably, post-cutoff date debt and debt to creditors that are "de minimis" as well as debts not covered by the Agreed Minute.

Glossary of Selected Terms in Official
Multilateral Debt Reschedulings

Agreed Minute--The terms agreed upon in the multilateral rescheduling meeting are embodied in an Agreed Minute. The Minute normally specifies the coverage of debt service payments to be consolidated, the cutoff date, the consolidation period, the proportion of payments to be rescheduled, the provisions regarding the down payment, and the repayment schedule for both the rescheduled and deferred debt. Delegates to the meeting undertake to recommend to their governments the incorporation of these terms in the bilateral agreements that implement the rescheduling.

Arrears--unpaid amounts that fell due before the beginning of the consolidation period.

Bilateral agreements--Agreements reached bilaterally between the debtor country and agencies in each of the participating creditor countries establishing the legal basis of the debt restructuring as set forth in the Agreed Minute. Bilateral agreements specify the interest rate on amounts deferred or rescheduled (moratorium interest), which is agreed bilaterally between the debtor and each creditor.

Bilateral deadline--the date by which all of the Bilateral agreements must be concluded. The period for concluding Bilateral agreements is now generally six to seven months from the date of the Agreed Minute.

Concessional Rescheduling--See below, "options approach."

Conditional further rescheduling--See below, "multiyear rescheduling agreement."

Consolidation period--the period in which debt service payments to be consolidated or rescheduled under the terms applicable to current maturities have fallen or will fall due. The beginning of the consolidation period may precede, coincide with, or come after the date of the Agreed Minute.

Current maturities--principal and interest payments falling due within the consolidation period.

Cutoff date--the date before which loans must have been contracted in order for their debt service to be covered by the rescheduling. Decisions about whether to include in an agreement debt service due under previous multilateral official reschedulings are made independently of whether those previous agreements were before or after the cutoff date.

Cutoff interval--the number of months between the cutoff date and the beginning of the consolidation period.

"De minimis" clause--the provision whereby creditor countries whose claims that would be covered by the rescheduling agreement total to less than a specified amount are excluded from the rescheduling agreement. In the past, the de minimis amount was set at around SDR 1 million, but since 1983 about one half of the agreements have provided for limits of SDR 500,000 or SDR 250,000. The debtor is expected to pay all claims excluded by this clause. Overdue claims are to be paid as soon as possible, and in any case by a date specified in the Agreed Minute.

Deferred payments--debt service obligations that are not rescheduled under the terms of the Agreed Minute but whose payment is postponed until after the end of the consolidation period.

Down payment--In this paper, down payment refers to payments falling due within the consolidation period on debts covered by the agreement.

Effectively rescheduled portion--the proportion of total payments covered by the rescheduling agreement that are rescheduled or otherwise deferred until after the end of the consolidation period.

Goodwill clause--refers to creditors' willingness as expressed in the Agreed Minute to meet to consider further debt relief in the future, subject to fulfillment by the debtor country of certain specified conditions.

Grace period and maturity--Paris Club Agreed Minutes specify the first and last payment dates, but do not refer to the length of the grace period or to the maturity. In this paper, grace periods and maturity on rescheduled current maturities are counted from the end of the consolidation period. In the case of the rescheduling of arrears and late interest on arrears, they are measured from the beginning of the consolidation period.

Initiative clause--the standard undertaking in the Agreed Minute that the debtor country will seek to restructure debts owed to other creditors on terms comparable to those outlined in the Agreed Minute. This clause appears as one of the general recommendations and reads:

In order to secure comparable treatment of public and private external creditors on their debts, the Delegation of [debtor country] stated that their Government will seek to secure from external creditors, including banks and suppliers, rescheduling or refinancing arrangements on terms comparable to those set forth in this Agreed Minute for credits of comparable maturity, making sure to avoid inequity between different categories of creditors.

Late interest--interest accrued on principal and interest in arrears.

Local currency clause--refers to a provision in the Agreed Minute (normally in cases where private debt is rescheduled) whereby the debtor country undertakes to establish or extend the necessary mechanisms to

ensure that debtors other than the Government can make into the central bank or other appropriate institutions the local currency counterpart payments corresponding on the due dates.

Maturity--grace period plus repayment period.

Moratorium interest--see "bilateral agreements" above.

Most-favored-nation clause--the standard undertaking in the Agreed Minute whereby the debtor country agrees not to accord to creditor countries that did not participate in the multilateral agreement repayment terms more favorable than those accorded to the participating creditor countries for the consolidation of debts of comparable term.

Multiyear rescheduling agreement (MYRA)--MYRAs granted by official creditors cover consolidation periods of two or more years through the implementation of a succession of shorter consolidations (serial reschedulings) which come into effect automatically after certain conditions are satisfied. To this effect, the Agreed Minute includes a "conditional further rescheduling" provision which sets forth the terms of the rescheduling for payments that fall due in specified subsequent future periods, and the conditions for such a rescheduling to become effective without a further Paris Club meeting. The implementation of each stage requires only a decision by creditors that the relevant conditions have been met. The MYRAs concluded in 1985-86 had tapered the amount of debt relief over the sequential stages of the MYRA and excluded interest from the rescheduling. They had also specified monitoring provisions for the part of the consolidation where it was not necessarily foreseen that a Fund arrangement would be in place. In the event, none of these earlier MYRAs could be implemented as agreed. The three MYRAs concluded in 1989 differed in that they included all principal payments and essentially all interest payments into the consolidation, and the agreements were all based on multiyear Fund arrangements.

Options approach--refers to the exceptional rescheduling terms granted, since October 1988, to the poorest and most heavily indebted countries, also known unofficially as "Toronto terms". Under this approach, creditors choose one of three options (or a combination of options). Under Option A (partial cancellation), one third of debt service obligations consolidated is canceled and the remaining two thirds is rescheduled on the basis of the appropriate market rate over 14 years including a grace period of 8 years. Under Option B (extended maturities), debt service obligations consolidated are rescheduled on the basis of the appropriate market rate over 25 year including a grace period of 14 years. Under Option C (concessional interest rates), debt service obligations consolidated are rescheduled over 14 years including a grace period of 8 years on the basis of the appropriate market rate reduced by 3.5 percentage points, or 50 percent if 50 percent is less than 3.5 percentage points. The option approach also includes a provision for ODA debts which specifies that these debts are rescheduled

over 25 years including a grace period of 14 years with interest rates at least as favorable as the concessional rates applying to these debts.

Pullback clause--a provision in the Agreed Minute which specifies that the rescheduling will become null and void (if certain specific conditions are not met by a specified date) with payments schedules for all obligations covered by the Agreed Minute (including arrears, if any) reverting to the original schedule.

Serial rescheduling--see "multiyear rescheduling agreement" above.

Special account--an account established under some Agreed Minutes by the debtor country with the central bank of one of the participating creditor countries into which monthly deposits of an agreed amount are made. The total amount to be deposited usually approximates the amounts estimated to be payable to all participating creditors during the year; the debtor country draws on the account as bilateral implementing agreements are signed and specific payments under these agreements become due.

"Toronto terms"--Unofficial reference to the rescheduling terms under the "options approach", see above.

Table 6. Official Multilateral Debt Reschedulings, 1976-89

(Creditor countries participating)

Country ^{1/}	Number of Reschedulings in which the Country Participated			
	1976-82	1983-88	1989	Total
<u>Industrial countries</u>				
France	27	94	23	144
United Kingdom	26	89	21	136
United States	25	90	20	135
Germany, Federal Republic of	28	83	17	128
Italy	27	80	20	127
Belgium	23	64	16	103
Japan	20	66	15	101
Switzerland	19	63	16	98
Netherlands	21	61	15	97
Spain	10	67	16	93
Austria	13	64	14	91
Canada	17	60	13	90
Sweden	19	45	9	73
Norway	12	42	9	63
Denmark	8	24	7	39
Finland	5	15	3	23
Australia	2	2	0	4
Portugal	0	3	0	3
New Zealand	0	2	0	2
Ireland	0	1	1	2
<u>Developing countries</u>				
Brazil	0	18	1	19
Israel	0	10	4	14
South Africa	1	8	0	9
Kuwait	0	5	1	6
Mexico	0	2	0	2
Morocco	0	2	1	3
UAE	2	0	0	2
Argentina	0	1	0	1

Source: Agreed Minutes of debt reschedulings.

^{1/} Country classifications correspond to those used in the World Economic Outlook (WEO), IMF, April 1989.

Table 7. Official Multilateral Debt Reschedulings, 1988-89

(Participating creditors and consolidation period)

	Date of Agreed Minute	Number of participating creditors	Maturities covered <u>1/</u>	Consolidation period		Length of consolidation period
				From	To	
<u>1988</u>						
Ecuador III	1/20/88	12	CM,PR	1/01/88	2/28/89	14
Gabon III <u>2/</u>	3/21/88	12	CM	1/01/88	12/31/88	12
Togo VI	3/22/88	11	CM,PR	1/01/88	4/15/89	15
Niger V	4/21/88	4	CM	12/05/87	12/31/88	13
Malawi III	4/22/88	6	CM,PR	4/01/88	5/31/89	14
Yugoslavia IV	7/13/88	16	CM,PR	4/01/88	6/30/89	15
Brazil III <u>2/</u>	7/28/88	13	CM	8/01/88	3/31/90	20
Jamaica IV	10/24/88	9	CM,PR	6/01/88	11/30/89	18
Morocco IV	10/26/88	11	CM,PR	7/01/88	12/31/89	18
Mali I	10/27/88	6	CM	7/01/88	10/31/89	16
Madagascar VI	10/28/88	12	CM,PR	4/01/88	12/31/89	21 <u>3/</u>
Bolivia II	11/14/88	9	CM,PR	10/01/88	12/31/89	15 <u>3/</u>
Tanzania II	12/13/88	15	CM,PR	1/01/89	6/30/89	6
C.A.R. IV	12/14/88	8	CM,PR	1/01/89	6/30/90	18 <u>3/</u>
Niger VI	12/16/88	4	CM,PR	1/01/89	12/31/89	12
<u>1989</u>						
Senegal VII	1/24/89	11	CM	11/01/88	12/31/89	14
			PR	11/01/88	6/30/89	8
Trinidad & Tobago I	1/25/89	9	CM	1/01/89	2/28/90	14
Uganda III	1/26/89	5	CM,PR	1/01/89	6/30/90	18
Equatorial Guinea II	3/2/89 <u>4/</u>	2	<u>5/</u>	—	—	—
Nigeria II	3/3/89	17	CM,PR	1/01/89	4/30/90	16
Guinea II	4/12/89	11	CM,PR	1/01/89	12/30/89	12
Guyana I	5/24/89	9	CM	1/01/89	2/28/90	14
Cameroon I	5/24/89	13	CM	1/01/89	3/31/90	12
Philippines III	5/26/89	13	CM	6/01/89	6/30/91	25 <u>6/</u>
Costa Rica III	5/26/89	8	CM,PR	4/01/89	5/31/90	14
Mexico III	5/30/89	14	CM	6/01/89	5/31/92	36 <u>6/</u>
Mauritania IV	6/19/89	9	CM	6/01/89	5/31/90	12
			PR	6/01/89	12/31/89	7
Togo VII	6/20/89	11	CM,PR	4/16/89	6/30/90	14
Benin I	6/22/89	8	CM,PR	6/01/89	6/30/90	13
Zaire X	6/23/89	13	CM,PR	6/01/89	6/30/90	13
Jordan I	7/19/89	14	CM(P)	7/01/89	12/31/90	18
			CM(I)	7/01/89	12/31/89	6
Angola I	7/20/89	11	CM	7/01/89	9/30/90	15
			PR	7/01/89	12/31/89	6
			PR	1/01/90	9/30/90	9
Gabon IV	9/19/89	11	CM	9/01/89	12/31/90	16
Ecuador IV	10/24/89	12	CM,PR	11/01/89	12/31/90	14
Chad I	10/24/89 <u>4/</u>	3	CM	10/1/89	12/31/90	15
Guinea-Bissau II	10/26/89	5	CM,PR	10/01/89	12/31/90	15
Mali II	11/22/89	5	CM	11/01/89	12/31/91	26
Côte d'Ivoire V	12/18/89	13	CM,CR	1/1/90	4/30/91	16
Argentina III	12/21/89	16	CM,CR	1/1/90	3/31/91	15

Source: Agreed Minutes of debt reschedulings.

1/ Refers to medium- and long-term debt (CM = Current maturities; PR = Previously Rescheduled; (P) = Principal; and (I) = Interest).

2/ Approved in principle on date indicated.

3/ Includes conditional extensions of 6 months for Madagascar, 3 months for Bolivia, and 12 months for the Central African Republic.

4/ Date of informal meeting of creditors on the terms to be applied in the bilateral reschedulings.

5/ The consolidation covered arrears at end-July 1988 only.

6/ Includes conditional extension of 14 months for Philippines, and two conditional extensions for a total of 26 months for Mexico.

Table 8. Official Multilateral Debt Reschedulings, 1988-89

(Types of debt covered)

(Yes, if covered; no, otherwise)

Country	Medium- and Long-term debt				Short-term		Previously rescheduled 1/				Late interest	Private sector debt
	Current		Arrears		Arrears		Current		Arrears			
	P	I	P	I	P	I	P	I	P	I		
<u>1988</u>												
Ecuador III	Yes	Yes	Yes	Yes	No	No	Yes	Yes	Yes	Yes	No	No
Gabon III	Yes	Yes	No	No	No	No	No	No	No	No	No	No
Togo VI	Yes	Yes	Yes	No	No	No	Yes	No	Yes	No	No	No
Niger V	Yes	Yes	No	No	No	No	No	No	No	No	No	No
Malawi III	Yes	Yes	Yes	Yes	No	No	Yes	No	Yes	No	No	No
Yugoslavia IV	Yes	Yes	No	No	No	No	Yes	Yes	No	No	No	Yes
Brazil III	Yes	Yes	Yes	Yes	No	No	No	No	Yes	No	No	Yes
Jamaica IV	Yes	Yes	No	No	No	No	Yes	No	No	No	No	No
Morocco IV	Yes	Yes	No	No	No	No	Yes	No	No	No	No	No
Mali I	Yes	Yes	Yes	Yes	No	No	...	...	...	...	No	No
Madagascar VI	Yes	Yes	Yes	Yes	No	No	Yes	Yes	Yes	Yes	No	Yes
Bolivia II	Yes	Yes	Yes	Yes	No	No	Yes	Yes	Yes	Yes	Yes	No
Tanzania II	Yes	Yes	Yes	Yes	No	No	Yes	Yes	Yes	Yes	No	Yes
C.A.R. IV	Yes	Yes	Yes	Yes	No	No	Yes	No	Yes	No	No	No
Niger VI	Yes	Yes	No	No	No	No	Yes	Yes	No	No	No	No
<u>1989</u>												
Senegal VII	Yes	Yes	No	No	No	No	Yes 2/	Yes 2/	No	No	No	No
Trinidad and Tobago I	Yes	No	Yes	No	No	No	...	...	...	...	No	No
Uganda III	Yes	Yes	Yes	Yes	No	No	Yes	Yes	Yes	Yes	Yes	Yes
Equatorial Guinea I	No	No	Yes	Yes	No	No	Yes	Yes	Yes	Yes	No	No
Nigeria II	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Guinea II	Yes	Yes	Yes	Yes	No	No	Yes	Yes	Yes	Yes	No	No
Guyana I	Yes	Yes	Yes	Yes	Yes	Yes	...	...	...	...	Yes	Yes
Cameroon I	Yes	Yes	Yes	Yes	No	No	...	...	...	...	No	No
Philippines III	Yes	Yes	Yes	Yes	No	No	No	No	No	No	No	No
Costa Rica III	Yes	Yes	Yes	Yes	No	No	No	No	Yes	Yes	Yes	No
Mexico III	Yes	Yes	No	No	No	No	No	No	No	No	No	No
Mauritania IV	Yes	Yes	Yes	Yes	No	No	Yes	Yes	No	No	No	Yes
Togo VII	Yes	Yes	No	No	No	No	Yes	Yes	No	No	No	No
Benin I	Yes	Yes	Yes	Yes	No	No	Yes 3/	Yes 3/	Yes 3/	Yes 3/	Yes	No
Zaire X	Yes	Yes	Yes	Yes	No	No	Yes	Yes	Yes	Yes	No	Yes
Jordan I	Yes	Yes 2/	Yes	Yes	No	No	...	...	...	...	No	No
Angola I	Yes	Yes	Yes	Yes	No	No	Yes 3/	Yes 3/	No 3/	No 3/	Yes	No
Gabon IV	Yes	Yes	Yes	Yes	No	No	No	No	No	No	No	No
Ecuador IV	Yes	Yes	Yes	Yes	No	No	Yes	Yes	Yes	Yes	No	No
Chad I	Yes	Yes	Yes	Yes	No	No	...	...	...	...	Yes	No
Guinea-Bissau II	Yes	Yes	Yes	Yes	No	No	Yes	Yes	Yes	Yes	Yes	Yes
Mali II	Yes	Yes	No	No	Yes	Yes	No	No	No	Yes	No	No
Côte d'Ivoire V	Yes	Yes	Yes	Yes	No	No	Yes	Yes	Yes	Yes	No	No
Argentina III	Yes	Yes	Yes	Yes	No	No	Yes	Yes	Yes	Yes	No	No

Source: Agreed Minutes of debt reschedulings.

1/ "...", if not applicable; for details see Table 9.

2/ For part of consolidation period only.

3/ Debt service resulting from previous bilateral reschedulings with Paris Club creditors.

Table 9. Official Multilateral Debt Reschedulings, 1988-89

(Special provisions)

	Date of Agreed Minute	Bilateral deadline	Special account	Goodwill clause included <u>1/</u>
<u>1988</u>				
Ecuador III	1/20/88	8/31/88	No	No
Gabon III	3/21/88	10/31/88	No	Yes
Togo VI	3/22/88	10/31/88	No	Yes
Niger V	4/21/88	9/30/88	No	Yes
Malawi III	4/22/88	12/31/88	No	No
Yugoslavia IV	7/13/88	12/31/88	No	Yes
Brazil III	7/28/88	3/31/89	No	No
Jamaica IV	10/24/88	4/30/89	No	Yes
Morocco IV	10/26/88	8/31/89	No	Yes
Mali I	10/27/88	7/31/89	No	Yes
Madagascar VI	10/28/88	8/31/89	Yes	Yes
Bolivia II	11/14/88	4/30/89	No	Yes
Tanzania II	12/13/88	5/31/89	Yes	Yes
C.A.R. IV	12/14/88	5/31/89	No	No
Niger VI	12/16/88	6/30/89	No	Yes
<u>1989</u>				
Senegal VII	1/24/89	6/30/89	No	Yes
Trinidad and Tobago I	1/25/89	7/31/89	No	Yes
Uganda III	1/26/89	9/30/89	Yes	Yes
Nigeria II	3/3/89	9/30/89 <u>2/</u>	Yes	Yes
Guinea II	4/12/89	12/31/89	No	Yes
Guyana I	5/24/89	12/31/89	No	No
Cameroon I	5/24/89	12/31/89	No	No
Philippines III	5/26/89	2/28/90	No	Yes
Costa Rica III	5/26/89	2/28/90	Yes	Yes
Mexico III	5/30/89	2/28/90	No	Yes
Mauritania IV	6/19/89	3/31/90	No	No
Togo VII	6/20/89	3/31/90	No	Yes
Benin I	6/22/89	3/31/90	No	Yes
Zaire X	6/23/89	3/31/90	Yes	Yes
Jordan I	7/19/89	2/28/90	No	Yes
Angola I	7/20/89	3/31/90	No	Yes
Gabon IV	9/19/89	5/31/90	No	No
Ecuador IV	10/24/89	5/31/90	No	No
Chad I	10/24/89	3/31/90	No	No
Guinea-Bissau II	10/26/89	6/30/90	Yes	Yes
Mali II	11/22/89	4/30/90	No	Yes
Côte d'Ivoire V	12/18/89	5/31/90	No	Yes
Argentina III	12/21/89	6/30/90	No	Yes

Source: Agreed Minutes of debt reschedulings.

1/ All goodwill clauses in 1988-89 contained a specific reference to an unchanged cutoff date in the event of a future rescheduling.2/ Extended to 12/31/89.

Table 10. Official Multilateral Debt Reschedulings, 1976-89

(Cumulative consolidation period)

Country	Consolidation periods for current maturities under successive agreements (Agreement)										Cumulative number of months ^{1/}	Number of agree- ments	
	I	II	III	IV	V	VI	VII	VIII	IX	X			
Angola	15										15	1	
Benin	13										13	1	
Cameroon	12										12	1	
Chad	15										15	1	
Congo	20										20	1	
Dominican Republic	15										15	1	
Egypt	18										18	1	
Gambia, The	12										12	1	
Guyana	14										14	1	
Jordan	18										18	1	
Panama	16										16	1	
Trinidad and Tobago	14										14	1	
Bolivia	12	15	2/								27	2	
Chile	18	21									39	2	
Equatorial Guinea	18	--	3/								18	2	
Guinea	14	12									26	2	
Guinea-Bissau	18	15									33	2	
Mali	16	26									42	2	
Mozambique	12	19									31	2	
Nigeria	15	16									31	2	
Romania	12	12									24	2	
Somalia	12	24									36	2	
Tanzania	12	6									18	2	
Argentina	12	14	15								41	3	
Brazil	17	24	4/	20							61	3	
Costa Rica	18	15	14								47	3	
Malawi	12	12	14								38	3	
Mexico	6	18	36	5/							34	3	
Peru	12	12	15								39	3	
Philippines	18	18	25	6/							61	3	
Turkey	13	12	36								61	3	
Zambia	12	12	12								36	3	
Central African Republic	12	12	18	18	7/						60	4	
Ecuador	12	36	14	14							76	4	
Gabon 8/	12	15	12	16							55	4	
Jamaica	15	12	15	18							60	4	
Liberia	18	18	12	12							60	4	
Mauritania	15	12	14	12							53	4	
Morocco	16	18	16	18							68	4	
Poland	8	36	12	12							68	4	
Sierra Leone	12	16	12	16							56	4	
Sudan	21	18	12	12							63	4	
Uganda	12	12	12	18	7/						54	4	
Yugoslavia	12	17	23	9/	15						67	4	
Côte d'Ivoire	13	12	36	16	10/	16	11/			93	5		
Madagascar	18	12	18	15	24	12/21	11/				108	6	
Niger	12	14	12	12	13	12					75	6	
Senegal	12	12	12	18	16	12	8				90	7	
Togo	21	24	12	16	12	15	14				114	7	
Zaire	18	12	10/	6	10/	18	12	12	15	12	13	13	10

Source: Agreed Minutes of debt reschedulings.

- 1/ Excludes that portion of any consolidation period which overlaps with the consolidation period of prior agreements.
2/ Includes a conditional three-month extension.
3/ The rescheduling in 1989 covered arrears only.
4/ Agreed Minute did not refer to arrears, although at the time of the rescheduling maturities related to 1985 and 1986 (a 24-month period) were de facto in arrears. A conditional further six-months consolidation did not become effective.
5/ Includes two conditional extensions, covering successive twelve-month and fourteen-month consolidation periods.
6/ Includes a conditional fifteen-month extension.
7/ Includes a conditional twelve-month extension.
8/ Gabon I rescheduling involved only arrears.
9/ The consolidation period was made up of an initial 12-month portion and a conditional further 11-month consolidation which required a further meeting to determine the proportion of principal to be rescheduled.
10/ Consolidation period overlaps with the consolidation period of previous agreements.
11/ Includes a conditional six-month extension.
12/ Includes the three-month extension agreed by creditors in 1987, extending the coverage to the end of the stand-by arrangement period.

Table II. Official Multilateral Debt Renegotiations, 1976-89
(Debt relief extended in successive reschedulings)

Country	Amounts under successive agreements (In millions of U.S. dollars)										Total 1/	Number of agree- ments
	I	II	III	IV	V	VI	VII	VIII	IX	X		
Angola	446										446	1
Benin	193										193	1
Cameroon	535										535	1
Chad	38										38	1
Congo	756										756	1
Dominican Republic	290										290	1
Egypt	6,350										6,350	1
Gambia, The	17										17	1
Guyana	195										195	1
Jordan	587										587	1
Panama	19										19	1
Trinidad and Tobago	209										209	1
Bolivia	449	226									675	2
Chile	146	157									303	2
Equatorial Guinea	38	10									48	2
Guinea	196	124									320	2
Guinea-Bissau	25	21									46	2
Mali	63	44									107	2
Mozambique	283	361									644	2
Nigeria	6,251	5,600 2/									11,851	2
Romania	234	736									970	2
Somalia	127	153									280	2
Tanzania	1,046	377									1,423	2
Argentina	2,040	1,260	2,450								5,750	3
Brazil	2,337	4,178	4,992								11,507	3
Costa Rica	136	166	182								484	3
Malawi	25	26	27								78	3
Mexico	1,199	1,912	2,400								5,511	3
Peru	420	466	704								1,590	3
Philippines	757	862	1,850								3,469	3
Turkey	1,300	1,200	3,000								5,500	3
Zambia	375	253	371								999	3
Central African Republic	72	13	14	28							127	4
Ecuador	142	450	438	397							1,427	4
Gabon	63	387	326	545							1,321	4
Jamaica	105	62	124	147							438	4
Liberia	35	25	17	17							94	4
Mauritania	68	27	90	52							237	4
Morocco	1,152	1,124	1,008	969							4,253	4
Poland	2,110	10,930	1,400	9,027							23,467	4
Sierra Leone	39	37	25	86							187	4
Sudan	487	203	518	249							1,457	4
Uganda	30	19	170	89							308	4
Yugoslavia	500	812	901 3/	1,291							3,504	4
Côte d'Ivoire	230	213	370	567	881						2,261	5
Madagascar	140	107	89	128	212	254					930	6
Niger	36	26	38	34	37	48					219	6
Senegal	75	74	72	122	65	79	143				630	7
Togo	260	232	300	75	27	139	76				1,109	7
Zaire	270	170	40	1,040	500	1,497	408	429	671	1,530	6,555	10
Total	32,896	33,043	21,916	14,863	1,722	2,017	627	429	671	1,530	109,714	150

Source: Fund staff estimates.

1/ Includes significant double-counting in cases where previously rescheduled debt has been rescheduled.

2/ Provisional data.

3/ Combined amounts for the two tranches under the 1986 Agreed Minute.

Table 12. Official Multilateral Debt Reschedulings, 1976-89

(Previously rescheduled debt (PRD))

	Number of agreements involving two or more reschedulings since 1975	Consolidations involving PRD	
		Agreements	Portion of debt service on PRD included in the consolidation
1976-82	13	Turkey III, 1980	All
1983-84	17	Sudan III, 1983	All
		Togo III, 1983	All
		Zaire VI, 1983	All
		Sierra Leone III, 1984	All
		Madagascar III, 1984	All
		Sudan IV, 1984	Practically all: only excludes one half of interest on debt rescheduled in 1983.
		Togo IV, 1984	Part: excludes maturities on debt rescheduled in 1981 and 1983.
		Zambia II, 1984	All
1985-86 <u>1/</u>	23	Madagascar IV, 1985	Part: excludes maturities on debt rescheduled in 1984.
		Zaire VII, 1985	Part: excludes maturities on debt rescheduled in 1983.
		C.A.R. III, 1985	Part: excludes maturities on debt rescheduled in 1983.
		Zambia III, 1986	All
		Zaire VIII, 1986	Part: excludes maturities on debt rescheduled in 1985 and some of the maturities on debt rescheduled in 1983.
		Madagascar V, 1986	Part: excludes maturities on debt rescheduled in 1984 and 1985.
		Sierra Leone IV, 1986	Part: excludes maturities on debt rescheduled in 1977.
1987 <u>1/</u>	15	Morocco III	Part: excludes half of the maturities on debt rescheduled in 1983.
		Zaire IX	Part: excludes maturities on debt rescheduled in 1986.
		Mozambique III	All
		Uganda III	All
		Somalia II	All
		Poland IV	Practically all: only excludes 50 percent of arrears on debt rescheduled in 1981.
		Côte d'Ivoire IV	Practically all: only excludes 5 percent of interest.
1988	14	Ecuador III	All
		Togo VI	Part: excludes interest on all PRD and principal on debt rescheduled in 1984 and 1985.
		Malawi III	Part: excludes interest on all PRD.
		Yugoslavia IV	All <u>2/</u>
		Brazil III	Part: excludes maturities rescheduled in 1983 and 1987, except for arrears on principal payments originally falling due in first half of 1987.

Table 12 (concluded). Official Multilateral Debt Reschedulings, 1976-89

(Previously rescheduled debt (PRD))

	Number of agreements involving two or more reschedulings since 1975	Consolidations involving PRD	
		Agreements	Portion of debt service on PRD included in the consolidation
1988 (continued)		Jamaica IV	Part: excludes interest on all PRD and principal on debt rescheduled in 1985.
		Morocco IV	Part: excludes interest and 20 percent of principal on debts rescheduled in 1983 and all maturities on debts rescheduled in 1985 and 1987.
		Madagascar VI	Part: excludes maturities on debts rescheduled in 1985 and 1986.
		Bolivia II	All
		Tanzania II	All
		C.A.R. IV	Part: excludes interest on all PRD and principal payments on debts rescheduled in 1985.
		Niger VI	Part: excludes maturities on debts rescheduled in 1986 and 1988.
1989	17 ^{3/}	Senegal VII	All. Part of consolidation period only.
		Uganda IV	All
		Nigeria II	All, but excludes 40 percent of arrears (including late interest).
		Guinea II	All, but excludes 10 percent of arrears.
		Costa Rica III	Part: includes only arrears on principal and interest rescheduled in 1983 and 1985.
		Mauritania IV	Part: excludes debt service on debts rescheduled in 1987.
		Togo VII	Part: excludes interest on debts rescheduled in 1979 and debt service on debts rescheduled in 1984, 1985, and 1988.
		Benin I	All ^{4/}
		Zaire X	All, but excludes arrears on consolidations in 1986 and 1987.
		Angola I	Part: ^{4/} excludes 50 percent of debt service falling due between Jan.-Sept. 1990.
		Ecuador IV	Part: excludes debt service on debts rescheduled in 1988.
		Guinea-Bissau II	All
		Mali II	Part: includes only arrears on interest on debts rescheduled in 1988.
		Côte d'Ivoire V	Part: excludes the 5 percent of interest not consolidated in 1987 agreement.
		Argentina III	Part: excludes 30 percent of interest falling due; excludes 50 percent of principal and 52.5 of interest arrears.

Source: Agreed Minutes of debt reschedulings.

^{1/} Excludes the reschedulings with Guinea (April 1986) and Congo (July 1986), which covered debt previously rescheduled outside multilateral forums with official creditors.

^{2/} Excludes debt service due as the result of the Berne Agreement dated January 19, 1983.

^{3/} Includes rescheduling with Benin (June 1989) and Angola (July 1989) which covered debt previously rescheduled with official creditors on a bilateral basis.

^{4/} Debt service resulting from previous bilateral consolidations with Paris Club creditors.

Table 13. Official Multilateral Debt Reschedulings, 1988-89

(Cutoff date)

Debtor Country	Cutoff Date	Date of agreement	Number of Months Prior to Beginning of consolidation period	Change in Cutoff Date ^{1/}
<u>1988</u>				
Ecuador III	1/1/83	61	60	No
Gabon III	7/1/86	22	18	No
Togo VI	1/1/83	64	60	No
Niger V	7/1/83	58	53	No
Malawi III	1/1/82	76	75	No
Yugoslavia IV	12/2/82	67	64	No
Brazil III	3/31/83	64	64	No
Jamaica IV	10/1/83	60	56	No
Morocco IV	5/1/83	66	62	No
Mali I	1/1/88	11	6	...
Madagascar VI	7/1/83	64	57	No
Bolivia II	12/31/85	34	33	No
Tanzania II	6/30/86	29	30	No
C.A.R. IV	1/1/83	71	72	No
Niger VI	7/1/83	65	66	No
<u>1989</u>				
Senegal VII	1/1/83	73	82	No
Trinidad and Tobago I	9/1/88	5	4	...
Uganda IV	7/1/81	91	90	No
Nigeria II	10/1/85	41	39	No
Guinea II	1/1/86	39	36	No
Guyana I	12/31/88	5	--	...
Cameroon I	12/31/88	5	3	...
Philippines III	4/1/84	62	62	No
Costa Rica III	7/1/82	83	81	No
Mexico III	12/31/85	41	41	No
Mauritania IV	12/31/84	53	53	No
Togo VII	1/1/83	77	75	No
Benin I	3/31/89	3	2	...
Zaire X	6/30/83	72	71	No
Jordan I	1/1/89	7	6	...
Angola I	12/31/86	31	30	No ^{2/}
Gabon IV	7/1/86	39	38	No
Ecuador IV	1/1/83	70	70	No
Chad I	6/30/89	4	3	...
Guinea-Bissau II	12/31/86	34	33	No
Mali II	1/1/88	23	22	No
Côte d'Ivoire V	7/1/83	77	78	No
Argentina III	12/10/83	72	73	No

Source: Agreed Minute of debt reschedulings.

^{1/} Not applicable (...) first official multilateral rescheduling since 1975.^{2/} Maintained cutoff date established in previous bilateral reschedulings.

Table 14. Official Multilateral Debt Reschedulings, 1988-89

(Repayment terms: current maturities) 1/

	Postponement of Unconsolidated Portion				Formally Rescheduled Portion		
	Down payment (percent)	Proportion in total (percent)	Grace period 2/ (months)	Maturity 2/ (months)	Proportion in total (percent)	Grace period 2/ (years)	Maturity 2/ (years)
<u>1988</u>							
Ecuador III	--	--	--	--	100	4.9	9.4
Gabon III	--	--	--	--	100	5.0	9.5
Togo VI	--	--	--	--	100	7.9	15.3
Niger V							
a) Principal	--	--	--	--	100	10.0	19.5
b) Interest	25	--	--	--	75	10.0	19.5
Malawi III	--	--	--	--	100	9.9	19.4
Yugoslavia IV	--	--	--	--	100	5.9	9.4
Brazil III							
a) Principal	--	--	--	--	100	5.0	9.5
b) Interest	--	30	--	12	70	5.0	9.5
Jamaica IV	--	--	--	--	100	4.7	9.2
Morocco IV	--	--	--	--	100	4.7	9.2
Mali I	--	--	--	--	100	7.8 *	24.3 *
Madagascar VI	--	--	--	--	100	7.6 *	24.1 *
Bolivia II	--	--	--	--	100	5.9	9.3
Tanzania II	--	--	--	--	100	8.2 *	24.7 *
C.A.R. IV	--	--	--	--	100	8.0 *	24.5 *
Niger VI	--	--	--	--	100	8.0 *	24.5 *
<u>1989</u>							
Senegal VIII	--	--	--	--	100	7.7	24.2 *
Trinidad and Tobago I							
a) Principal	--	--	--	--	100	4.9	9.4
b) Interest	100	--	--	--	--	--	--
Uganda IV	--	--	--	--	100	7.8 *	24.3 *
Nigeria II	--	--	--	--	100	4.8	9.3
Guinea II	--	--	--	--	100	8.0 *	24.5 *
Guyana I	--	--	--	--	100	9.9	19.4
Cameroon I							
a) Principal	--	--	--	--	100	6.0	9.5
b) Interest	15	--	--	--	85	6.0	9.5
Philippines III							
a) Principal	--	--	--	--	100	5.5	9.0
b) Interest	10	15	--	12	75	5.5	9.0
Costa Rica III	--	--	--	--	100	4.9	9.4
Mexico III							
a) Tranche 1							
- Principal	--	--	--	--	100	6.1	9.6
- Interest	--	--	--	--	100	6.1	9.6
b) Tranche 2							
- Principal	--	--	--	--	100	6.1	9.6
- Interest	10	--	--	--	90	6.1	9.6
c) Tranche 3							
- Principal	--	--	--	--	100	5.9	9.4
- Interest	20	--	--	--	80	5.9	9.4
Mauritania IV	--	--	--	--	100	8.0 *	24.5 *
Togo VII	--	--	--	--	100	7.9 *	24.4 *
Benin I	--	--	--	--	100	7.9 *	24.4 *
Zaire X	--	--	--	--	100	7.9 *	24.4 *
Jordan I							
a) Principal	--	--	--	--	100	4.8	9.3
b) Interest	50 3/	--	--	--	50 3/	5.8	10.3
Angola I	--	--	--	--	100	6.0	9.5
Gabon IV	--	--	--	--	100	4.0	10.0
Ecuador IV	--	--	--	--	100	5.9	9.4
Chad	--	--	--	--	100	8.0 *	24.5 *
Guinea-Bissau II	--	--	--	--	100	7.8 *	24.3 *
Mali II	--	--	--	--	100	7.4 *	23.9 *
Côte d'Ivoire V	--	--	--	--	100	7.8	13.3
Argentina III	--	--	--	--	100	5.8	9.3

Source: Agreed Minutes of debt reschedulings.

1/ Excludes debt service not covered by the rescheduling agreement.

2/ For purposes of this paper, grace periods and maturity on rescheduled amounts of current maturities are measured from the end of the consolidation period. An asterisk denotes concessional rescheduling under the options approach. Grace period refers to Options A and C, maturity to Option B.

3/ Interest was rescheduled over part of the consolidation period only.

Table 15. Official Multilateral Debt Reschedulings, 1988-89

(Repayment terms: previously rescheduled debt (PRD)) 1/

	Down payment (percent)	Postponement of unconsolidated portion			Formally rescheduled portion		
		Proportion in total (percent)	Grace period 2/ (months)	Maturity 2/ (months)	Proportion in total (percent)	Grace period 2/ (years)	Maturity 2/ (years)
<u>1988</u>							
Ecuador III	--	--	--	--	100	4.9	7.4
Gabon III	--	--	--	--	--	--	--
Togo VI	--	--	--	--	100	7.9	15.3
Niger V	--	--	--	--	--	--	--
Malawi III	--	--	--	--	100	9.9	19.4
Yugoslavia IV	--	--	--	--	--	--	--
Brazil III	30	--	--	--	70	5.0	9.5
Jamaica IV	--	--	--	--	100	4.7	9.2
Morocco IV	20	--	--	--	80	4.7	9.2
Mali I	--	--	--	--	--	--	--
Madagascar VI	--	--	--	--	100	7.6 *	24.1 *
Bolivia II	--	--	--	--	100	5.9	9.3
Tanzania II	--	--	--	--	100	8.2 *	24.7 *
C.A.R.	--	--	--	--	100	8.0 *	24.5 *
Niger	--	--	--	--	100	8.0 *	24.5 *
<u>1989</u>							
Senegal VII 3/	--	--	--	--	100	8.2 *	24.7 *
Trinidad and Tobago I	--	--	--	--	--	--	--
Uganda IV	--	--	--	--	100	7.8 *	24.3 *
Nigeria II	--	--	--	--	100	4.8	9.3
Guinea II	--	--	--	--	100	8.0 *	24.5 *
Guyana I	--	--	--	--	--	--	--
Cameroon I	--	--	--	--	--	--	--
Philippines III	--	--	--	--	--	--	--
Costa Rica III	--	--	--	--	--	--	--
Mexico III	--	--	--	--	--	--	--
Mauritania IV	--	--	--	--	100	8.3 *	24.8 *
Togo VII	--	--	--	--	100	7.9 *	24.4 *
Benin I	--	--	--	--	100	7.9 *	24.4 *
Zaire X	--	--	--	--	100	7.9 *	24.4 *
Jordan I	--	--	--	--	--	--	--
Angola I	--	--	--	--	100	6.8	10.3
Gabon IV	--	--	--	--	--	--	--
Ecuador IV	--	--	--	--	100	5.9	9.4
Chad I	--	--	--	--	--	--	--
Guinea-Bissau II	--	--	--	--	100	7.8 *	24.3 *
Mali II	--	--	--	--	--	--	--
Côte d'Ivoire V	--	--	--	--	100	7.8	13.3
Argentina III							
a) Principal	--	--	--	--	100	5.8	9.3
b) Interest	30	--	--	--	70	5.8	9.3

Source: Agreed Minutes of debt reschedulings.

1/ Excludes debt service not covered by the rescheduling agreement; PRD in arrears is covered in Table 13.

2/ For purposes of this paper, grace period and maturity on rescheduled amounts of current maturities are measured from the end of the consolidation period. In the case of arrears, grace and maturity are measured from the beginning of the consolidation period. An asterisk denotes concessional rescheduling under the options approach. Grace period refers to Options A and C, maturity to Option B.

3/ PRD was rescheduled over part of the consolidation period only.

Table 16. Official Multilateral Debt Reschedulings, 1988-89

(Repayment terms: arrears) 1/

	Down payment (percent)	Postponement of unconsolidated portion			Formally rescheduled portion		
		Proportion in total (percent)	Grace period 2/ (months)	Maturity 2/ (months)	Proportion in total (percent)	Grace period 2/ (years)	Maturity 2/ (years)
<u>1988</u>							
Ecuador III	--	--	--	--	100	6.1	10.6 3/
Gabon III	--	--	--	--	--	--	--
Togo VI	--	--	--	--	100	9.1 4/	16.6 4/
Niger V	--	--	--	--	--	--	--
Malawi III	--	--	--	--	100	10.1	19.5
Yugoslavia IV	--	--	--	--	--	--	--
Brazil III	--	--	--	--	100	5.0	9.5
Jamaica IV	--	--	--	--	--	--	--
Morocco IV	--	--	--	--	--	--	--
Mali I	--	--	--	--	100	8.2 *	24.7 *
Madagascar VI	--	--	--	--	100	9.4 *	25.9 *
Bolivia II	--	--	--	--	100	7.1	10.6
Tanzania II	--	--	--	--	100	8.0 *	24.5 *
C.A.R. IV	--	--	--	--	100	8.0 *	24.5 *
Niger VI	--	--	--	--	--	--	--
<u>1989</u>							
Senegal VII	--	--	--	--	--	--	--
Trinidad and Tobago I (Principal)	--	--	--	--	100	4.1	8.6
Uganda IV	--	--	--	--	100	8.3 *	24.8 *
Nigeria II							
a) PRD	40	--	--	--	60	1.1	3.6
b) Short term	--	--	--	--	100	1.5	6.0
c) Other	--	--	--	--	100	6.2	10.7
Guinea II							
a) PRD	10	--	--	--	90	8.0 *	24.5 *
b) Other	--	--	--	--	100	8.0 *	24.5 *
Guyana I							
a) Short term	--	--	--	--	100	5.1	9.6
b) Other	--	--	--	--	100	10.1	19.6
Cameroon I							
a) Principal	--	--	--	--	100	5.0	8.5
b) Interest	15	--	--	--	85	5.0	8.5
Philippines III	--	--	--	--	100	5.0	8.5
Costa Rica III							
a) PRD	--	--	--	--	100	1.2	3.2
b) Other	--	--	--	--	100	5.0	8.5
Mexico III	--	--	--	--	--	--	--
Mauritania IV							
a) PRD	--	100	7	19	--	--	--
b) Other	--	--	--	--	100	8.0 *	24.5 *
Togo VII	--	--	--	--	--	--	--
Benin I	--	--	--	--	100	8.0 *	24.5 *

Table 16 (concluded). Official Multilateral Debt Reschedulings, 1988-89

(Repayment terms: arrears) ^{1/}

	Down payment (percent)	Postponement of unconsolidated portion			Formally rescheduled portion		
		Proportion in total (percent)	Grace period ^{2/} (months)	Maturity ^{2/} (months)	Proportion in total (percent)	Grace period ^{2/} (years)	Maturity ^{2/} (years)
1989 (continued)							
Zaire X							
a) PRD dated 5/15/86 & 5/18/87	--	100	5	20	--	--	--
b) Other	--	--	--	--	100	8.0 *	24.5 *
Jordan I	--	--	--	--	100	5.3	9.8
Angola I							
a) Short-term arrears & late interest	--	100	12	24	--	--	--
b) Other	--	--	--	--	100	7.3	10.8
Gabon IV	--	--	--	--	100	5.3	11.3
Ecuador IV	--	--	--	--	100	4.9	8.4
Chad							
a) Late interest	--	--	--	--	100	1.3	4.8
b) Arrears	--	--	--	--	100	8.0 *	24.5 *
Guinea-Bissau II	--	--	--	--	100	8.0 *	24.5 *
Mali II	--	--	--	--	100	2.1	4.7
Côte d'Ivoire V	--	--	--	--	100	8.2	13.6
Argentina III							
a) Current maturities	--	--	--	--	100	6.1	9.6
b) PRD							
Principal	--	50	4	6	50	6.1	9.6
Interest	2.5	50	4	6	47.5	6.1	9.6

Source: Agreed Minutes of debt reschedulings.

^{1/} Excludes debt service not covered by the rescheduling agreement.^{2/} For purposes of this paper, grace period and maturity on rescheduled amounts of arrears are measured from the beginning of the consolidation period. An asterisk denotes concessional rescheduling under the options approach. Grace period refers to Options A and C, maturity to Option B.^{3/} For arrears on previously rescheduled debt maturity of 8.6 years.^{4/} For arrears on previously rescheduled debt grace period of 6.0 years and maturity of 9.5 years.

Table 17. Official Multilateral Debt Reschedulings, 1976-89

(Average repayment terms for current maturities)

	Number of agreements	Down payment (percent)	Postponement of unconsolidated maturities			Formally rescheduled portion 1/		
			Proportion of total repayments (percent)	Average grace period (months)	Average maturity (months)	Proportion of total repayments (percent)	Average grace period (years)	Average maturity (years)
1976	1	—	15.0	12.0	24.0	85.0	1.0	7.5
1977	3	11.3	6.3	6.0	30.0	82.5	2.3	8.6
1978	3	35.0	2.5	3.0	3.0	62.5	2.0	6.5
1979	4	10.6	4.4	4.0	16.0	85.0	3.1	8.6
1980	3	1.7	8.3	4.0	36.0	90.0	4.0	8.8
1981	8	6.1	5.8	10.0	31.0	88.1	4.0	8.6
1982	6	6.2	8.0	10.8	30.0	85.8	3.9	8.1
1983	16	10.9	7.2	9.0	23.6	81.9	4.1	8.6
1984	13	10.7	4.3	8.1	27.0	85.0	4.8	9.6
1985	21	8.5	4.4	6.4	32.0	87.1	4.3	9.1
1986	16	4.3	0.7	8.0	20.0	95.0	4.5	9.2
1987	17	1.9	0.9	4.5	22.5	97.2	5.6	11.8
1988	15	—	2.0	—	12.0	98.2	6.9	16.1
1989	23 2/	1.9	0.4	—	12.0	97.7	8.3	19.0
<u>Averages</u>								
	1976-88	8.9	5.7	7.2	24.6	85.4	3.6	8.8
Of which:								
	1976-82	10.1	7.2	7.1	24.3	82.7	2.9	8.1
	1983-85	10.0	5.3	7.8	27.5	84.7	4.4	9.1
	1986-87	3.1	0.8	6.3	21.3	96.1	5.1	10.5
	1987-88	1.0	1.5	2.3	14.3	97.7	6.3	14.0
	1988-89	1.0	1.2	0.0	12.0	98.0	7.6	17.6

Source: Agreed Minutes of debt reschedulings.

1/ Medium- and long-term debt only. Excludes debt service not covered by the rescheduling agreement. All reschedulings carry equal weight in their relevant periods. Grace period and maturity measured from end of consolidation period.

2/ Excludes the rescheduling for Equatorial Guinea which consolidated arrears only.

Table 18. Official Multilateral Debt Reschedulings, 1976-89

(Average repayment terms for current principal)

	Number of agreements	Down payment (percent)	Postponement of unconsolidated maturities			Formally rescheduled portion 1/		
			Proportion of total repayments (percent)	Average grace period (months)	Average maturity (months)	Proportion of total repayments (percent)	Average grace period (years)	Average maturity (years)
1976	1	—	15.0	12.0	24.0	85.0	1.0	7.5
1977	3	10.0	7.5	12.0	30.0	82.5	2.3	8.5
1978	3	12.5	2.5	3.0	3.0	85.0	2.0	6.5
1979	4	10.6	4.4	4.0	16.0	85.0	3.1	8.6
1980	3	1.7	8.3	4.0	36.0	90.0	4.0	8.8
1981	8	6.1	5.8	10.0	31.0	88.1	4.0	8.6
1982	6	6.2	8.0	10.8	30.0	85.8	3.9	8.1
1983	16	5.6	6.9	9.0	23.0	87.5	4.1	8.6
1984	13	1.7	2.5	9.0	29.0	95.8	4.8	9.6
1985	21	5.9	3.7	6.4	32.0	90.5	4.3	9.1
1986	16	3.1	0.7	8.0	20.0	96.3	4.5	9.2
1987	17	0.6	0.6	3.0	3.0	98.8	5.6	11.9
1988	15	—	—	—	—	100.0	6.9	16.1
1989	23 2/	—	—	—	—	100.0	8.3	19.0
<u>Averages</u>								
	1976-88	5.3	5.5	7.6	23.6	89.2	3.6	8.8
Of which:								
	1976-82	6.7	7.4	8.0	25.1	85.9	2.9	8.1
	1983-85	3.7	4.7	9.0	26.3	91.7	4.5	9.1
	1986-87	1.9	0.7	5.5	11.5	97.6	5.1	10.6
	1987-88	0.3	0.3	1.5	1.5	99.4	6.3	14.0
	1988-89	0.0	0.0	0.0	0.0	100.0	7.6	17.6

Source: Agreed Minutes of debt reschedulings.

1/ Rescheduling terms for principal payments on medium- and long-term debt only. Excludes debt service not covered by the rescheduling agreement. All reschedulings carry equal weight in their relevant periods. Grace period and maturity measured from end of consolidation period.

2/ Excludes the rescheduling for Equatorial Guinea which consolidated arrears only.

Table 19. Official Multilateral Debt Reschedulings, 1976-89

(Average repayment terms for current interest)

	Number of agreements	Down payment (percent)	Postponement of unconsolidated maturities			Formally rescheduled portion 1/		
			Proportion of total repayments (percent)	Average grace period (months)	Average maturity (months)	Proportion of total repayments (percent)	Average grace period (years)	Average maturity (years)
1976	1	—	—	—	—	—	—	—
1977	3	12.5	5.0	—	24.0	82.5	2.3	8.8
1978	3	15.0	5.0	3.0	3.0	80.0	2.0	6.5
1979	4	10.6	4.4	4.0	16.0	85.0	3.1	8.6
1980	3	1.7	8.3	4.0	36.0	90.0	4.0	8.8
1981	8	6.1	5.8	10.0	31.0	88.1	4.0	8.6
1982	6	6.2	8.0	10.8	30.0	85.8	3.9	8.1
1983	16	4.3	8.6	8.8	24.5	87.1	4.2	9.0
1984	13	12.9	6.6	8.1	27.0	80.4	4.8	9.9
1985	21	7.2	6.3	6.4	32.0	86.5	4.5	9.3
1986	16	3.4	0.8	8.0	20.0	95.8	4.6	9.3
1987	17	3.7	0.7	6.0	42.0	95.7	5.9	12.5
1988	15	1.7	1.0	—	12.0	96.7	6.9	16.1
1989	23 ^{2/}	3.7	0.7	—	12.0	95.4	8.3	19.0
<u>Averages</u>								
1976-88		7.6	5.4	6.9	26.0	87.0	3.9	9.0
Of which:								
1976-82		8.7	6.1	6.4	23.3	85.2	3.2	8.2
1983-85		8.1	7.2	7.8	27.8	84.7	4.5	9.4
1986-87		3.6	0.8	7.0	31.0	95.8	5.3	10.9
1987-88		1.9	0.4	3.0	21.0	96.2	6.4	14.0
1988-89		2.7	0.9	0.0	12.0	96.1	7.6	17.6

Source: Agreed Minutes of debt reschedulings.

1/ Rescheduling terms for interest payments on medium- and long-term debt only. Excludes debt service not covered by the rescheduling agreement. All reschedulings carry equal weight in their relevant periods. Grace period and maturity measured from end of consolidation period.

2/ Excludes the rescheduling for Equatorial Guinea which consolidated arrears only.

Table 20. Fund Arrangements and Official Multilateral Debt Reschedulings for SAF-eligible Countries, 1986-89

	Fund arrangements approved ^{1/}				Paris Club reschedulings			
	1986	1987	1988	1989	1986	1987	1988	1989
Benin	--	--	--	SAF	--	--	--	R
Bolivia	BOTH	--	ESAF	ESAF	R	--	R	-- ^{2/}
Chad	--	SAF	--	SAF	--	--	--	R
C.A.R.	--	BOTH	SAF	--	--	--	R	--
Equatorial Guinea	--	--	SAF	--	--	--	--	R ^{3/}
Gambia	BOTH	SAF	ESAF	ESAF	R	--	--	--
Guinea	SBA	BOTH	--	SAF	R	--	--	R
Guinea-Bissau	--	SAF	--	SAF	--	R	--	R
Guyana	--	--	--	FM	--	--	--	R
Madagascar	SBA	SAF	SBA	ESAF	R	--	R	--
Malawi	--	--	BOTH*	ESAF	--	--	R	--
Mali	--	--	BOTH	--	--	--	R	R
Mauritania	BOTH	BOTH	--	ESAF	R	R	--	R
Mozambique	--	SAF	SAF	SAF ^{4/}	--	R	--	--
Niger	BOTH	SAF	ESAF	--	R	--	RR ^{5/}	--
Senegal	BOTH	BOTH	ESAF	ESAF	R	R	--	R
Sierra Leone	BOTH	--	--	--	R	--	--	--
Somalia	--	BOTH	--	--	--	R	--	--
Tanzania	SBA	SAF	SAF	--	R	--	R	--
Togo	SBA	--	BOTH	ESAF	--	--	R	R
Uganda	--	SAF	SAF	ESAF	--	R	--	R
Zaire	SBA	BOTH	--	BOTH	R	R	--	R
Zambia	SBA	--	--	--	R	--	--	--
Total countries	<u>12</u>	<u>14</u>	<u>13</u>	<u>15</u>	<u>11</u>	<u>7</u>	<u>9</u>	<u>12</u>
SBA	6	--	1	--				
SAF	--	8	5	5				
ESAF	--	--	4	8				
SBA and SAF/ESAF	6	6	3	1				
Fund-monitored	--	--	--	1				
Cumulative number of countries	12	18	21	23	11	15	19	23

Source: Agreed Minutes of debt reschedulings; and Fund staff estimates.

^{1/} Arrangements approved during the year; annual arrangements for SAF and ESAF. BOTH (BOTH*) denotes approval of both SBA and SAF (ESAF) arrangement during the year; in several cases, SBAs and SAF/ESAF arrangements were approved at different times during the year. FM stands for Fund-monitored program. Programs that did not require exceptional financing in the form of debt rescheduling are underlined.

^{2/} Rescheduling meeting tentatively scheduled for early 1990.

^{3/} Rescheduling based on SAF arrangement approved in 1988.

^{4/} Program for 1989 anticipated debt rescheduling, but Paris Club meeting could not take place in 1989 because bilateral agreements were not concluded.

^{5/} Two rescheduling agreements concluded.

Table 21. Fund Arrangements and Official Multilateral Debt Reschedulings Which Did Not Require Paris Club Reschedulings, 1986-89

	Fund arrangements approved				1/
	1986	1987	1988	1989	
Bangladesh	--	SAF <u>2/</u>	SAF	--	
Burundi	BOTH	--	SAF	SAF	
Dominica	SAF	SAF	SAF	--	
Ghana	SBA	BOTHE	ESAF	ESAF	
Haiti	SAF	--	--	SBA	
Kenya	--	--	BOTH	ESAF	
Lao	--	--	--	SAF	
Lesotho	--	--	SAF	SAF	
Nepal	--	SAF	SAF	SAF	
Pakistan	--	--	BOTH	SAF	
São Tomé and Príncipe	--	--	--	SAF	
Sri Lanka	--	--	SAF	SAF	
Total	4	5	9	10	
SBA/EFF	1	--	--	1	
SAF	2	4	6	7	
ESAF	--	--	1	2	
SBA/EFF and SAF	1	1	2	--	
Cumulative number of countries	4	6	10	12	
<u>Memorandum items:</u>					
All SAF-eligible countries	16	19	22	25	
SBA/EFF	7	--	1	1	
SAF	2	12	11	12	
ESAF	--	--	5	10	
SBA/EFF and SAF/ESAF	7	7	5	1	
Fund-monitored program	--	--	--	1	
Cumulative number of countries	16	24	31	35	

Source: Fund staff estimates.

1/ Arrangements approved during the year; annual arrangements for SAF and ESAF. BOTH (BOTHE) denotes approval of both SBA (EFF) and SAF arrangement during the year; in several cases SBAs and SAF/ESAF arrangements were approved at different times during the year. FM stands for Fund-monitored program.

2/ The first two annual arrangements were approved in 1987.

Table 22. Official Multilateral Debt Reschedulings, 1988-89

(Parallel bank rescheduling agreements)

	Date of official multilateral agreement	Commercial Bank Rescheduling		
		Relative importance of commercial bank debt <u>1/</u>	Date of parallel bank agreement	Date of prior bank agreement
<u>1988</u>				
Ecuador III	1/20/88	S	... <u>2/</u>	11/87 <u>3/</u>
Gabon III	3/21/88	N	...	12/87
Togo VI	3/22/88	S	5/88	10/83
Niger V	4/21/88	S	...	4/86
Malawi III	4/22/88	S	10/88	...
Yugoslavia IV	7/13/88	S	9/88 <u>4/</u>	5/84
Brazil III	7/28/88	S	...	7/86
Jamaica IV	10/24/88	S	...	5/87
Morocco IV	10/26/88	S	...	9/87
Mali I	10/27/88	N	...	...
Madagascar VI	10/28/88	S	...	6/87 <u>3/</u>
Bolivia II	11/14/88	S	...	9/87 <u>3/</u>
Tanzania II	12/13/88	N	...	...
C.A.R. IV	12/14/88	N	...	...
Niger VI	12/16/88	S	...	4/86
<u>1989</u>				
Senegal VII	1/24/89	N	...	5/85
Trinidad and Tobago I	1/25/89	S	11/88 <u>5/</u>	N/A
Uganda IV	1/26/89	N	...	...
Nigeria II	3/3/89	S	4/89	11/87
Guinea II	4/12/89	N	...	4/88
Guyana I	5/24/89	N	...	N/A
Cameroon I	5/24/89	S	... <u>2/</u>	...
Philippines III	5/26/89	S	10/89 <u>4/5/</u>	12/87
Costa Rica III	5/26/89	S	11/89 <u>5/</u>	5/85 <u>4/</u>
Mexico III	5/30/89	S	7/89 <u>4/5/</u>	3/87 <u>4/6/</u> 8/87 <u>6/</u>
Mauritania IV	6/19/89	N	...	...
Togo VII	6/20/89	S	...	5/88
Benin I	6/22/89	N	...	...
Zaire X	6/23/89	S	6/89	5/87
Jordan I	7/19/89	S	11/89 <u>5/</u>	...
Angola I	7/20/89	S	...	...
Gabon IV	9/19/89	S	...	12/87
Ecuador IV	10/24/89	S	... <u>2/</u>	11/87 <u>3/5/</u>
Guinea Bissau II	10/26/89	N	...	4/88
Mali II	11/22/89	N	...	...
Côte d'Ivoire V	12/18/89	S	... <u>2/</u>	4/88 <u>3/4/5/</u>
Argentina III	12/21/89	S	... <u>2/</u>	8/87 <u>4/</u>

Sources: Restructuring agreements; and Fund staff estimates.

1/ N = not significant; S = significant. For purposes of this paper, debt to commercial banks is not significant if it represents less than 10 percent of total nonmultilateral external debt of the debtor country.

2/ Under negotiations.

3/ Modification of previous restructuring agreement.

4/ The restructuring agreement includes new financing.

5/ Approved in principle on date indicated.

6/ March: public sector debt; August: private sector debt.

Table 23. Summary of Official Multilateral Debt Reschedulings, 1956-76 ^{1/}

Country	Date of agreement	Debts covered		Consolidation period (months)	Terms	
		Type ^{2/}	Pro-portion		Grace	Maturity (In years)
Argentina	05/16/56	P	100	24	--	10.0
Argentina	10/26/62	P	50	24	--	6.0
Argentina	06/26/65	P	60	12	2.0	7.0
Brazil	05/24/61	PI	80-35	67	0.5	5.5
Brazil	07/01/64	PI	35-20	24	2.0	7.0
Chile	02/24/65	P	70	24	2.0	7.0
Chile	04/19/72	PI	70	14	2.0	9.0
Chile	03/23/74	PI	80	24	2.0	9.0
Chile	05/06/75	PI	70	12	2.0	9.0
Ghana	12/09/66	PI	80	31	2.5	10.4
Ghana	10/22/68	PI	80	42	2.0	9.3
Ghana	07/11/70	PI Pp Ip	50	24	... ^{3/}	... ^{3/}
Ghana	03/13/74	Pp Ip	100	... ^{4/}	11.0	25.0
India	03/05/68	B	...	60 percent	grant element	
India	06/18/71	B	20 ^{5/}	62 percent	grant element	
India	02/16/73	B	35 ^{5/}	62 percent	grant element	
India	06/14/74	B	45 ^{5/}	62 percent	grant element	
India	06/27/75	B	45 ^{5/}	62 percent	grant element	
India	05/28/76	B	45 ^{5/}	62 percent	grant element	
Indonesia	12/20/66	PIA	100	18	3.0	11.0
Indonesia	10/18/67	PI	100	12	3.0	11.0
Indonesia	10/17/68	PI	100	12	3.0	11.0
Indonesia	04/24/70	PI Pp Ip	100	... ^{4/}	-- ^{6/}	29.0
Kampuchea	01/29/72	P	80	12	2.0	7.0 ^{7/}
Kampuchea	10/31/72	PI	65	12	2.0	10.0 ^{7/}
Pakistan	05/26/72	PI	56	26	1.0	4.0 ^{8/}
Pakistan	07/31/73	PI	56	12	1.0	4.0 ^{8/}
Pakistan	06/28/74	PI Pp Ip	71-55	48	10.0	20.0 ^{9/}
Peru	09/27/68	PI	min 75	18	1-1.5	5-5.5
Peru	11/19/69	PI	min 60	24	1.0	5.0
Turkey	05/12/59	PIA	100	65	--	8.0
Turkey	03/27/65	P	min 60	36	1.7	5.0

Source: Agreed Minutes, Chairman's Reports on Proceedings of Consortia; and Fund staff estimates.

^{1/} Includes debt renegotiations conducted under the auspices of aid consortia (e.g. for Ghana and India) which considered ODA debts rather than export credits. Descriptions of multilateral debt renegotiations listed in this table are contained in the following three staff papers: "Multilateral Debt Renegotiations - Experience of Fund Members" (SM/71/204, 8/6/71); "Multilateral Debt Renegotiations - Experience of Fund Members", 1971-74" (SM/74/228, 9/25/74); and "Avoidance and Resolution of Debt Servicing Difficulties" (SM/76/202, 9/27/76).

^{2/} P = Principal, I = Interest on medium- and long-term debt; Pp (Ip) = Principal (Interest) on previously rescheduled debts; A = arrears; B = determined bilaterally.

^{3/} Variable, most creditors accepted the principle that each creditor should extend debt relief with a minimum grant element of 61 percent; a grace period of 10 years with no interest falling due during the grace period was considered equivalent to this grant element.

^{4/} The consolidation period extended to the final maturity of the debts covered.

^{5/} Terms variable and determined bilaterally. Proportion represents estimated actual debt relief. Creditors explicitly stated that debt relief was extended as a substitute for new ODA loans.

^{6/} No grace period for interest rescheduled, 15 years' grace for rescheduled principal.

^{7/} Interest rates not to exceed 3 percent.

^{8/} Interest rates not to exceed a weighted average of 5 percent.

^{9/} Interest rates not to exceed 2.5 percent; alternative terms could be applied carrying an overall average grant element of at least 62 percent.

Table 1. Angola: Date of Agreed Minute: July 20, 1989

Chairmanship--Paris Club

Type of debt covered	Scope of Debt Relief		Proportion of maturities covered and repayment schedule (In percent)	Repayment Terms 1/	
	Consolidation period	Estimated actual or actual amount consolidated (US\$ millions)		Grace period (Years)	Maturity = grace + repayment periods (Years)
a. Unpaid principal and interest due on official and officially guaranteed debts having an original maturity of more than one year, which were extended to the Government of Angola or covered by its guarantee, pursuant to a contract or other financial arrangement concluded before 12/31/86.	a. 7/1/89-9/30/90	446	a. 100 (of principal and interest)—in 8 equal semiannual payments starting 9/30/96 and ending 3/31/2000.	a. 6.0	a. 9.5
	b. (i) 7/1/89-12/31/89 (ii) 1/1/90-9/30/90		b. (i) 100 (of principal and interest); (ii) 50 (of principal and interest)—in 8 equal semiannual payments starting 9/30/96 and ending 3/31/2000.	b. (i) 6.8 (ii) 6.0	b. (i) 10.3 (ii) 9.5
b. Unpaid principal and interest due as a result of the previous bilateral consolidations.	c.,d. Arrears as at 6/30/89		c. 100 (of principal and interest)—in 8 equal semiannual payments starting 9/30/96 and ending 3/31/2000.	c. 7.3	c. 10.8
	e. Late interest as at 6/30/89.		d. To be paid as follows: - 50 (of principal and interest) no later than 6/30/90 - 50 (of principal and interest) no later than 6/30/91.		
c. Arrears on debts mentioned in a.			e. - 50 (of late interest) no later than 6/30/90. - 50 (of late interest) no later than 6/30/91.		
d. Arrears on debts not covered in a. and b. above.					
e. Late interest on debts under a. and b. above.					

Undertakings in Agreed Minute						
Local currency counter-part	Deposit in special account	Bilateral deadline	Implementation of Agreed Minute		Period of Fund Arrangement	Other Comments
			Conditions for application of the provisions of the Agreed Minute	Conditions for a meeting to discuss future debt service obligations (Goodwill clause)		
Yes	No	3/31/90	- Implementation of the program set out in documents provided to Paris Club creditors.	- Implementation of program set out in documents provided to Paris Club creditors. - Entered into an appropriate arrangement with the Fund. - Effective arrangements with banks and other creditors meeting the conditions of the MFN and initiative clause. - Report in writing on the contents of the bilateral agreements with creditors not participating in the Paris Club. - Compliance with all conditions of the Agreed Minute.	-	- Debt service and arrears not covered to be paid no later than 11/31/89. - Specific reference to unchanged cutoff date in the event of a future rescheduling. - Transfer clause whereby the Government of Angola guarantees within an appropriate exchange rate system the immediate and unrestricted transfer of the foreign exchange counterpart of all amounts paid in local currency by private debtors in Angola for servicing their debt to Paris Club creditors. - Report in writing by 3/31/90 of the progress in the negotiating with other creditors.

Source: Agreed Minute.

1/ For the purpose of this paper, grace period and maturity on rescheduled amounts of current maturities are defined to begin at the end of the consolidation period. In the case of arrears and late interest, they are measured from the beginning of the consolidation period.

Table 2. Argentina: Date of Agreed Minute: December 21, 1989

Chairmanship--Paris Club

Type of debt covered	Scope of Debt Relief		Proportion of maturities covered and repayment schedule (In percent)	Repayment Terms 1/	
	Consolidation period	Estimated actual or consolidated (US\$ millions)		Grace period (Years)	Maturity = grace + repayment periods (Years)
a. Unpaid principal and interest due on official and officially guaranteed debts extended to, guaranteed by or covered by a foreign exchange insurance provided by the Government of Argentina or its public sector, having a maturity of more than one year pursuant to a contract or financial arrangement concluded before 12/10/83.	a.,b. 1/1/90-3/31/91	2,450	a. 100 (of principal and interest)—8 equal semiannual payments starting 1/31/97 and ending 7/31/2000. b. 100 (of principal) and 70 (of interest)—8 equal semiannual payments starting 1/31/97 and ending 7/31/2000. 30 (of interest) falling due between 1/1/90 and 6/30/90 to be paid on 6/30/90; 30 (of interest) falling due between 7/1/90 and 12/31/90 to be paid on 12/31/90. c. 100 (of principal and interest)—8 equal semiannual payments starting 1/31/96 and ending 7/31/99. d. (i) 50 (of principal) and 47.5 (of interest)—8 equal semiannual payments starting 1/31/96 and ending 7/31/99; (ii) 50 (of principal and interest) in 2 equal payments by 4/30/90 and 6/30/90; (iii) 2.5 (of interest) to be paid on 3/31/90.	a.,b. 5.8 c.,d.(i). 6.1	a.,b. 9.3 c.,d.(i). 9.6
b. Unpaid principal and interest due as a result of the previous consolidations dated 1/16/85 and 5/20/87.					
c. Arrears on debts mentioned in a. above.	c.,d. Arrears as at 12/31/89.				
d. Arrears on debts mentioned in b. above.					

Undertakings in Agreed Minute						
Local currency counter-part	Deposit in special account	Bilateral deadline	Implementation of Agreed Minute		Period of Fund Arrangement	Other Comments
			Conditions for application of the provisions of the Agreed Minute	Conditions for a meeting to discuss future debt service obligations (Goodwill clause)		
No	No	6/30/90	- Continued upper credit tranche arrangement with the Fund. - Positive assessment prior to 4/30/90 of: (i) signing of bilateral agreements pursuant to the 5/20/87 consolidation agreement; (ii) completion of the first review under the SBA scheduled in 2/90. If one of the above conditions is not fulfilled by 5/1/90, the provisions will be null and void. - If reconciliation of the debts under the previous consolidations dated 1/16/85 and 5/20/87 is not achieved by 7/1/90, the provisions will be null and void.	- Continued arrangement with the Fund. - Effective arrangements with banks and other creditors meeting the conditions of MPN and initiative clauses. - Report in writing on the contents of the bilateral agreement with creditors not participating in the Paris Club. - Compliance with all conditions of the Agreed Minute.	SBA 11/10/89-3/31/91	- Debt service and arrears not covered to be paid no later than 3/31/90. - Specific reference to unchanged cutoff date in the event of a future rescheduling. - Transfer clause whereby the Government of Argentina undertakes to allow the access and transfer of foreign exchange to private creditors for servicing their debts.

Source: Agreed Minute.

1/ For the purpose of this paper, grace period and maturity on rescheduled amounts of current maturities are defined to begin at the end of the consolidation period. In the case of arrears and late interest, they are measured from the beginning of the consolidation period.

Table 3. Benin: Date of Agreed Minute: June 22, 1989

Chairmanship--Paris Club

Type of debt covered	Scope of Debt Relief		Proportion of maturities covered and repayment schedule (In percent)	Repayment Terms 1/	
	Consolidation period	Estimated actual or actual amount consolidated (US\$ millions)		Grace period (Years)	Maturity = grace + repayment periods (Years)
a. Unpaid principal and interest due on official and officially guaranteed debts having an original maturity of more than one year extended to the Government of Benin or covered by its guarantee, pursuant to a contract or other financial arrangement concluded before 3/31/89.	a.,b. 6/1/89-6/30/90	193	a.,b. 100 (of principal and interest)	a.,b. Options A and C: 7.9 Option B: 13.9	a.,b. Options A and C: 13.4 Option B: 24.4
	c. Arrears as at 5/31/89	Concessional options 2/ A: 63 B: 28 C: 102	Options A and C: 12 equal semiannual payments starting 5/31/98 and ending 11/30/2003. Option B: 22 equal semiannual payments starting 5/31/2004 and ending 11/30/2014.	c. Options A and C: 8.0 Option B: 14.0	c. Options A and C: 13.5 Option B: 24.5
			c. 100 (or principal and interest, including late interest)	Options A and C: 12 equal semiannual payments starting 5/31/97 and ending 11/30/2002. Option B: 22 equal semiannual payments starting 5/31/2003 and ending 11/30/2013.	
b. Unpaid principal and interest due as a result of previous bilateral consolidations concluded before 3/31/89;					
c. Arrears (including late interest) on a. and b. above.					

Undertakings in Agreed Minute						
Implementation of Agreed Minute						
Local currency counter-part	Deposit in special account	Bilateral deadline	Conditions for application of the provisions of the Agreed Minute	Conditions for a meeting to discuss future debt service obligations (Goodwill clause)	Period of Fund Arrangement	Other Comments
No	No	3/31/90	- Continued SAF arrangement.	- Continued appropriate arrangement with the Fund. - Effective arrangements with banks and other creditors meeting the conditions of the MFN and Initiative clause. - Report in writing on the contents of the bilateral agreements with creditors not participating in the Paris Club. - Compliance with all conditions of the Agreed Minute.	SAF medium-term arrangement 6/16/89-6/15/92 SAF I 6/16/89-6/15/90	- Debt service and arrears not covered to be paid no later than 10/31/89. - Specific reference to unchanged cutoff date in the event of future rescheduling. - Report in writing by 3/31/90 of progress in negotiations with other creditors.

Source: Agreed Minute.

1/ For the purpose of this paper, grace period and maturity on rescheduled amounts of current maturities are defined to begin at the end of the consolidation period. In the case of arrears and late interest, they are measured from the beginning of the consolidation period.

2/ Option A: One-third of debt service consolidated is canceled, the remaining two-thirds is rescheduled over period indicated on the basis of the appropriate market rate. Option B: Debt service consolidated is rescheduled over period indicated on the basis of the appropriate market rate. Option C: Debt service consolidated is rescheduled over period indicated on the basis of the appropriate market rate reduced by 3.5 percentage points or by 50 percent if 50 percent is less than 3.5 percentage points. Repayment schedule for rescheduled ODA debts under all options is equal to repayment schedule under Option B, with interest rates at least as favorable as the concessional rates applying to ODA loans.

Table 4. Cameroon: Date of Agreed Minute: May 24, 1989

Chairmanship--Paris Club

Type of debt covered	Scope of Debt Relief			Repayment Terms 1/	
	Consolidation period	Estimated actual or actual amount consolidated (US\$ millions)	Proportion of maturities covered and repayment schedule (In percent)	Grace period (Years)	Maturity = grace + repayment periods (Years)
a. Unpaid principal and interest due on official and officially guaranteed debts having an original maturity of more than one year, extended to the Government of Cameroon or covered by its guarantee, pursuant to a contract or other financial arrangement concluded before 12/31/88, including payments due under previous bilateral consolidations.	a. 4/1/89-3/31/90	535	a. 100 (of principal) and 85 (of interest)--in 8 equal semiannual payments starting 3/31/96, and ending 9/30/99. Of the remaining 15 (of interest), amounts due between 4/1/89 and 5/24/89 to be paid no later than 12/31/89.	a. 6.0	a. 9.5
b. Arrears on debts in a. above.	b. Arrears as at 3/31/89.		b. 100 (of principal) and 85 (of interest)--in 8 equal semiannual payments starting 3/31/94, and ending 9/30/97. The remaining 15 (of interest) to be paid on 12/31/89.	b. 5.0	b. 8.5

Undertakings in Agreed Minute						
Local currency counter-part	Deposit in special account		Implementation of Agreed Minute		Period of Fund Arrangement	Other Comments
	Bilateral deadline	Conditions for application of the provisions of the Agreed Minute	Conditions for a meeting to discuss future debt service obligations (Goodwill clause)			
No	No	12/31/89	- Continued arrangement in the upper credit tranches.	No goodwill clause.	SBA 9/19/88-3/31/90	Debt service and arrears not covered to be paid no later than 12/31/89.

Source: Agreed Minute.

1/ For the purpose of this paper, grace period and maturity on rescheduled amounts of current maturities are defined to begin at the end of the consolidation period. In the case of arrears and late interest, they are measured from the beginning of the consolidation period.

Table 5. Chad: Date of Creditors' Agreement: October 24, 1989

Type of debt covered	Scope of Debt Relief			Repayment Terms 1/	
	Consolidation period	Estimated actual or actual amount consolidated (US\$ millions)	Proportion of maturities covered and repayment schedule (In percent)	Grace period (Years)	Maturity = grace + repayment periods (Years)
a. Unpaid principal and interest due on official and officially guaranteed debts having an original maturity of more than one year, extended to or guaranteed by the Government of Chad, pursuant to a contract or other financial arrangements concluded before 6/30/89.	a. 10/1/89-12/31/90	38	a.,b. 100 (of principal and interest). Options A and C: 12 equal semiannual payments. Option B: 22 equal semi-annual payments.	a. Options A and C: 8.0 Option B: 14.0	a. Options A and C: 13.5 Option B: 24.5
	b. Arrears as at 9/30/89.	Conces- sional options: 2/	c. 100 (of late interest)--8 equal semiannual payments starting 1/1/91 and ending 7/1/94.	b. Options A and C: 8.0 Option B: 14.0	b. Options A and C: 13.5 Option B: 24.5
		A: 35 B: 1 C: 2		c. 1.3	c. 4.8
b. Arrears on debts mentioned in a. above.					
c. Late interest on b. above.					

Undertakings in Consolidation						
Implementation of Consolidation						
Local currency counterpart	Deposit in special account	Bilateral deadline	Conditions of the application of the provisions	Conditions for a meeting to discuss future debt service obligations (Goodwill clause)	Period of Fund Arrangement	Other Comments
No	No	3/31/90	--	None	SAF medium-term arrangement 10/30/87-10/29/90 SAF II 6/21/89-6/20/90	- Debt service arrears not covered to be paid no later than 3/31/90.

Source: Chairman's summing up of meeting of creditors on the terms of reference for the bilateral rescheduling discussions.

1/ For the purpose of this paper, grace period maturity on rescheduled amounts of current maturities are defined to begin at the end of the consolidation period. In the case of arrears and late interest, they are measured from the beginning of the consolidation period.

2/ Option A: One-third of debt service consolidation is canceled, the remaining two-thirds is rescheduled over period indicated on the basis of the appropriate market rate. Option B: Debt service consolidated is rescheduled over period indicated on the basis of the appropriate market rate. Option C: Debt service consolidated is rescheduled over period indicated on the basis of the appropriate market rate reduced by 3.5 percentage points or by 50 percent if 50 percent is less than 3.5 percentage points. Repayment schedule for rescheduled ODA debts under all options is equal to repayment schedule under Option B, with interest rates at least as favorable as the concessional rates applying to ODA loans.

Table 6. Costa Rica: Date of Agreed Minute: May 26, 1989

Chairmanship--Paris Club

Type of debt covered	Scope of Debt Relief		Repayment Terms 1/		
	Consolidation period	Estimated actual or consolidated (US\$ millions)	Proportion of maturities covered and repayment schedule (In percent)	Grace period (Years)	Maturity = grace + repayment periods (Years)
a. Unpaid principal and interest due on official and officially guaranteed debts having an original maturity of more than one year, which were extended to the Government of Costa Rica or covered by its guarantee pursuant to a contract or other financial arrangement concluded before 7/1/82.	a. 4/1/89-5/31/90	182	a. 100 (of principal and interest)--in 10 equal semiannual payments starting 4/30/95 and ending 10/31/99.	a. 4.9	a. 9.4
	b.,c. Arrears as at 3/31/89.		b. 100 (of principal and interest)--in 8 equal semiannual payments starting 3/31/94 and ending 9/30/97.	b. 5.0	b. 8.5
			c. 100 (of principal and interest)--in 3 equal annual payments starting 6/30/90 and ending 6/30/92.	c. 1.2	c. 3.2
b. Arrears (including late interest) on debts mentioned in a.					
c. Arrears (including late interest) on repayments of principal and interest due as a result of the previous consolidations dated 1/11/83, and 4/22/85.					

Undertakings in Agreed Minute						
Local currency counterpart	Deposit in special account		Implementation of Agreed Minute			
	Bilateral deadline		Conditions for application of the provisions of the Agreed Minute	Conditions for a meeting to discuss future debt service obligations (Goodwill clause)	Period of Fund Arrangement	Other Comments
No	Yes	2/28/90	- Continued arrangement in the upper credit tranches. - Provisions come into force after remaining bilateral agreement pursuant to Agreed Minute of 4/22/85 has been signed.	- Continued upper credit tranche arrangement with the Fund. - Effective arrangements with banks and other creditors meeting the conditions of the MFN and initiative clause. - Report in writing on the contents of the bilateral agreements with creditors not participating in the Paris Club. - Compliance with all conditions of the Agreed Minute.	SBA 5/23/89- 5/22/90	- Debt service and arrears not covered to be paid no later than 12/31/89. - Specific reference to unchanged cutoff date in the event of a future rescheduling. - Transfer clause, whereby the Government of Costa Rica will continue to guarantee within an appropriate exchange system the unrestricted transfer of the foreign exchange counterpart of all amounts paid in local currency by private debtors for servicing their debt.

Source: Agreed Minute.

1/ For the purpose of this paper, grace period and maturity on rescheduled amounts of current maturities are defined to begin at the end of the consolidation period. In the case of arrears and late interest, they are measured from the beginning of the consolidation period.

Table 7. Côte d'Ivoire: Date of Agreed Minute: December 18, 1989

Chairmanship--Paris Club

Type of debt covered	Scope of Debt Relief		Proportion of maturities covered and repayment schedule (In percent)	Repayment Terms 1/	
	Consolidation period	Estimated actual or consolidated amount (US\$ millions)		Grace period (Years)	Maturity = grace + repayment periods (Years)
a. Unpaid principal and interest due on official and officially guaranteed debts extended to or guaranteed by the Government of Côte d'Ivoire having an original maturity of more than one year, pursuant to an agreement concluded before 7/1/83.	a., b. 1/1/90-4/30/91	881	a., b. 100 (of principal and interest)--12 equal semiannual payments starting 2/28/99 and ending 8/31/2004.	a., b. 7.8	a., b. 13.3
	c. Arrears as at 12/31/89.		c. 100 (of principal and interest)--12 equal semiannual payments starting 2/28/98 and ending 7/31/2003.	c. 8.2	c. 13.6
b. Unpaid principal and interest due as a result of the previous consolidations dated 5/4/84, 6/25/85, 6/27/86 and 12/18/87, excluding the 5 percent of interest not consolidated according to the Agreed Minute of 12/18/87.					
c. Arrears on debts mentioned in a. and b. above.					

Undertakings in Agreed Minute						
Local currency counter-part	Deposit in special account	Bilateral deadline	Implementation of Agreed Minute		Period of Fund Arrangement	Other Comments
			Conditions for application of the provisions of the Agreed Minute	Conditions for a meeting to discuss future debt service obligations (Goodwill clause)		
No	No	5/31/90	- Continued appropriate upper credit tranche arrangement with the Fund. - Completion by 10/31/90 of the review under the SBA scheduled to be completed by 9/30/90 for application of provisions between 11/1/90 and 4/30/91.	- Continued appropriate upper credit tranche arrangement with the Fund. - Effective arrangements with banks and other creditors meeting the conditions of MFN and initiative clause. - Report in writing on the contents of bilateral agreements with creditors not participating in the Paris Club. - Compliance with all conditions of the Agreed Minute.	SBA 11/20/89-4/19/91	- Debt service and arrears not covered to be paid as follows: (i) 50 (of late interest), not later than 4/30/91; (ii) 50 (of late interest), not later than 4/30/91; (iii) the remaining amounts, not later than 10/31/90. - Specific reference to an unchanged cutoff date in the event of a future rescheduling

Source: Agreed Minute.

1/ For the purpose of this paper, grace period and maturity on rescheduled amounts of current maturities are defined to begin at the end of the consolidation period. In the case of arrears and late interest, they are measured from the beginning of the consolidation period.

Table 8. Ecuador: Date of Agreed Minute: October 24, 1989

Chairmanship--Paris Club

Type of debt covered	Scope of Debt Relief			Repayment Terms 1/	
	Consolidation period	Estimated actual or consolidated amount (US\$ millions)	Proportion of maturities covered and repayment schedule (In percent)	Grace period (Years)	Maturity = grace + repayment periods (Years)
a. Unpaid principal and interest due of official and officially guaranteed debts extended to or guaranteed by the Government of Ecuador, having a maturity of more than one year, pursuant to a contract of financial arrangement concluded before 1/1/83.	a.,b. 11/1/89-12/31/90	397	a.,b. 100 (of principal and interest)--8 equal semiannual payments starting 11/30/96 and ending 5/31/2000.	a.,b. 5.9	a.,b. 9.4
	c. (i) 11/1/89-12/31/89 (ii) 1/1/90-12/31/90		c.(i),e. 100 (of interest)--payable on 6/30/90.	d. 4.9	d. 8.4
			c.(ii). 100 (of interest)--payable on 6/30/91.		
	d. Arrears as at 10/31/89.		d. 100 (of arrears on principal and interest)--8 equal semiannual payments starting 11/30/95 and ending 5/31/99.		
	e. Arrears as at 10/31/89.				
b. Unpaid principal and interest due as a result of the previous consolidations dated 7/28/83 and 4/24/85.					
c. Unpaid interest due as a result of the previous consolidation dated 1/20/88.					
d. Arrears on debts mentioned in a. and b. above.					
e. Arrears on debts mentioned in c. above.					

Undertakings in Agreed Minute						
Local currency counterpart	Deposit in special account	Bilateral deadline	Implementation of Agreed Minute		Period of Fund Arrangement	Other Comments
			Conditions for application of the provisions of the Agreed Minute	Conditions for a meeting to discuss future debt service obligations (Goodwill clause)		
No	No	5/31/90	- Continued upper credit tranche arrangement with the Fund. - The provisions will be canceled if the conditions for making second purchase under the SBA are not met before 3/31/90 and payments covered will be due according to the original contracts or previous consolidation agreements.	No goodwill clause.	SBA 9/15/89-2/14/91	- Debt service and arrears not covered to be paid no later than 12/31/89. - Transfer clause whereby the Government of Ecuador will guarantee the unrestricted transfer the foreign exchange counterpart of amounts paid in local currency by private debtors for servicing their debts.

Source: Agreed Minute.

1/ For the purpose of this paper, grace period and maturity on rescheduled amounts of current maturities are defined to begin at the end of the consolidation period. In the case of arrears and late interest; they are measured from the beginning of the consolidation period.

Table 9. Gabon: Date of Agreed Minute: September 19, 1989
Chairmanship--Paris Club

Type of debt covered	Scope of Debt Relief		Proportion of maturities covered and repayment schedule (In percent)	Repayment Terms 1/	
	Consolidation period	Estimated actual or consolidated amount (US\$ millions)		Grace period (Years)	Maturity = grace + repayment periods (Years)
a. Unpaid principal and interest due on official and officially guaranteed debts extended to or guaranteed by the Government of Gabon having an original maturity of more than one year, pursuant to a contract or other financial agreement concluded before 7/1/86.	a. 9/1/89-12/31/90	545	a. 100 (of principal and interest)--13 equal semi-annual payments starting 12/31/94 and ending 12/31/2000.	a. 4.0	a. 10.0
b. Arrears on debts mentioned in a. above. Excludes debt service as a result of previous consolidations dated 1/21/87 and 3/21/88.	b. Arrears as of 8/31/89.		b. 100 (of principal and interest)--13 equal semi-annual payments starting 12/31/94 and ending 12/31/2000.	b. 5.3	b. 11.3

Undertakings in Agreed Minute						
Local currency counter-part	Deposit in special account		Implementation of Agreed Minute		Period of Fund Arrangement	Other Comments
	Bilateral deadline	Conditions for application of the provisions of the Agreed Minute	Conditions for a meeting to discuss future debt service obligations (Goodwill clause)			
No	No	5/31/90	- Continued upper credit tranche arrangement with the Fund.	No goodwill clause.	SBA 9/15/89 3/14/91	- Debt service and arrears not covered to be paid no later than 1/31/90.

Source: Agreed Minute.

1/ For the purpose of this paper, grace period and maturity on rescheduled amounts of current maturities are defined to begin at the end of the consolidation period. In the case of arrears and late interest, they are measured from the beginning of the consolidation period.

Table 10. Guinea: Date of Agreed Minute: April 12, 1989

Chairmanship--Paris Club

Type of debt covered	Scope of Debt Relief			Repayment Terms 1/	
	Consolidation period	Estimated actual or actual amount consolidated (US\$ millions)	Proportion of maturities covered and repayment schedule (In percent)	Grace period (Years)	Maturity = grace + repayment periods (Years)
a. Unpaid principal and interest due on official and officially guaranteed debts which were extended to the Government of the Republic of Guinea or covered by its guarantee, having an original maturity of more than one year, pursuant to a contract or other financial arrangement concluded before 1/1/86.	a., b. 01/01/89-12/31/89 c., d. Arrears as at 12/31/88	123 <u>Concessional options: 2/</u> A: 66 B: 26 C: 31	a., b. 100 (of principal and interest). Options A and C: 12 equal semiannual payments starting 12/31/97 and ending 6/30/2003. Option B: 22 equal semiannual payments starting 12/31/2003 and ending 6/30/2014. c. 100 (of arrears on principal and interest) d. 90 (of arrears on principal and interest) Options A and C: 12 equal semiannual payments starting 12/31/96 and ending 6/30/2002. Option B: 22 equal semiannual payments starting 12/31/2002 and ending 6/30/2013. The remaining 10 (of arrears on debts in d. above) are payable by 9/30/89.	a., b. Options A and C: 8.0 Option B: 14.0 c., d. Options A and C: 8.0 Option B: 14.0	a., b. Options A and C: 13.5 Option B: 24.5 c., d. Options A and C: 13.5 Option B: 24.5
b. Unpaid principal and interest due as a result of the previous consolidation dated 4/18/86 and of previous bilateral consolidation agreements.					
c. Arrears on debts mentioned in a. above.					
d. Arrears on debts mentioned in b. above.					

Undertakings in Agreed Minute						
Implementation of Agreed Minute						
Local currency counterpart	Deposit in special account	Bilateral deadline	Conditions for application of the provisions of the Agreed Minute	Conditions for a meeting to discuss future debt service obligations (Goodwill clause)	Period of Fund Arrangements	Other Comments
No	Yes	12/31/89	Continued arrangement under the SAF.	- Continued arrangement under the SAF or arrangement in the upper credit tranches. - Effective arrangements with banks and other creditors meeting the conditions of the MFN and initiative clauses. - Report in writing on the contents of the bilateral agreements with creditors not participating in the Paris Club. - Compliance with all conditions of the Agreed Minute.	SAF medium-term arrangement 7/29/87-7/28/90 SAF II 3/27/89-3/26/90	- Debt service and arrears not covered to be paid no later than 9/30/89. - Specific reference to unchanged cutoff date in the event of a future rescheduling. - Maintains the "transfer clause" whereby the Government of Guinea guarantees within an appropriate exchange rate system the immediate and unrestricted transfer of the foreign exchange counterpart of all amounts paid in local currency by private debtors in Guinea for servicing their debt to Paris Club creditors.

Source: Agreed Minute.

1/ For the purpose of this paper, grace period and maturity on rescheduled amounts of current maturities are defined to begin at the end of the consolidation period. In the case of arrears and late interest, they are measured from the beginning of the consolidation period.

2/ Option A: One-third of debt service consolidated is canceled, the remaining two-thirds is rescheduled over period indicated on the basis of the appropriate market rate. Option B: Debt service consolidated is rescheduled over period indicated on the basis of the appropriate market rate. Option C: Debt service consolidated is rescheduled over period indicated on the basis of the appropriate market rate reduced by 3.5 percentage points or by 50 percent if 50 percent is less than 3.5 percentage points. Repayment schedule for rescheduled ODA debts under all options is equal to repayment schedule under Option B, with interest rates at least as favorable as the concessional rates applying to ODA loans.

Table 11. Guinea-Bissau: Date of Agreed Minute: October 26, 1989

Chairmanship--Paris Club

Type of debt covered	Scope of Debt Relief		Proportion of maturities covered and repayment schedule (In percent)	Repayment Terms 1/	
	Consolidation period	Estimated actual or consolidated amount (US\$ millions)		Grace period (Years)	Maturity = grace + repayment periods (Years)
a. Unpaid principal and interest due on officially guaranteed debt extended to the Republic of Guinea-Bissau having an original maturity of more than one year, pursuant to a contract or other financial arrangement concluded before 12/31/86.	a.,b. 10/1/89-12/31/90 c. Arrears as at 9/30/89. d. Arrears as at 9/30/89.	21 Concessional options: 2/ A: 4 B: 3 C: 14	a.,b. 100 (of principal and interest). Options A and C: 12 equal semiannual payments starting 9/30/98 and ending 3/31/2004. Option B: 22 equal semi-annual payments starting 9/30/2004 and ending 3/31/2015. c. 100 (of arrears on principal and interest, including late interest); d. 100 (of arrears on principal and interest). Options A and C: 12 equal semiannual payments starting 9/30/97 and ending 3/31/2003. Option B: 22 equal semi-annual payments starting 9/30/2003 and ending 3/31/2014.	a.,b. Options A and C: 7.8 Option B: 13.8 c.,d. Options A and C: 8.0 Option B: 14.0	a.,b. Options A and C: 13.3 Option B: 24.3 c.,d. Options A and C: 13.5 Option B: 24.5
b. Unpaid principal and interest due as a result of the previous consolidation dated 10/27/87.					
c. Arrears (including late interest) on debts mentioned in a.					
d. Arrears on debts mentioned in b.					

Undertakings in Agreed Minute

Local currency counterpart	Deposit in special account		Implementation of Agreed Minute		Period of Fund Arrangement	Other Comments
	Bilateral deadline	Conditions for application of the provisions of the Agreed Minute	Conditions for a meeting to discuss future debt service obligations (Goodwill clause)			
Yes	Yes	6/30/90	- Continued agreement under the SAF. - The provisions will continue to apply for the period from 7/31/90 to 12/31/90 provided the third annual arrangement under the SAF is approved by 10/31/90.	- Continued appropriate arrangement with the Fund. - Effective arrangements with banks and other creditors meeting the conditions of the MFN and initiative clauses. - Report in writing on the contents of bilateral agreements with creditors not participating in the Paris Club. - Compliance with all the conditions of the Agreed Minute.	SAF medium term arrangement 10/14/87-10/13/90 SAF II 7/21/89-7/20/90	- Debt service and arrears not covered to be paid no later than 12/31/89. - Specific reference to unchanged cutoff date in the event of a future rescheduling.

Source: Agreed Minute.

1/ For the purpose of this paper, grace period and maturity on rescheduled amounts of current maturities are defined to begin at the end of the consolidation period. In the case of arrears and late interest; they are measured from the beginning of the consolidation period.

2/ Option A: One-third of debt service consolidated is canceled, the remaining two-thirds is rescheduled over period indicated on the basis of the appropriate market rate. Option B: Debt service consolidated is rescheduled over period indicated on the basis of the appropriate market rate. Option C: Debt service consolidated is rescheduled over period indicated on the basis of the appropriate market rate reduced by 3.5 percentage points or by 50 percent if 50 percent is less than 3.5 percentage points. Repayment schedule for rescheduled ODA debts under all options is equal to repayment schedule under Option B, with interest rates at least as favorable as the concessional rates applying to ODA loans.

Table 12. Guyana: Date of Agreed Minute: May 24, 1989

Chairmanship--Paris Club

Type of debt covered	Scope of Debt Relief		Estimated actual or actual amount consolidated (US\$ millions)	Proportion of maturities covered and repayment schedule (In percent)	Repayment Terms 1/			
	Consolidation period				Grace period (Years)	Maturity = grace + repayment periods (Years)		
a. Unpaid principal and interest due on official and officially guaranteed debts having an original maturity of more than one year extended to the Republic of Guyana, pursuant to a contract or other financial arrangement concluded before 12/31/88.	a.,b.	1/1/89-2/28/90	195	a. 100 (of principal and interest)--in 20 equal semiannual payments starting 1/31/2000 and ending 7/31/2009. b. 100 (of principal and interest)--in 10 equal semiannual payments, starting 1/31/95 and ending 7/31/99. c. 100 (of principal and interest, including late interest)--in 20 equal semiannual payments starting 1/31/99 and ending 7/31/2008. d. 100 (of principal and interest, including late interest)--in 10 equal semiannual payments starting 1/31/94 and ending 7/31/98.	a.	9.9	a.	19.4
	c.,d.	Arrears as at 12/31/88.			b.	4.9	b.	9.4
					c.	10.1	c.	19.6
					d.	5.1	d.	9.6
b. Officially guaranteed commercial credits having an original maturity of one year or less, pursuant to a contract or other financial arrangement concluded before 12/31/88								
c. Arrears on debts (including late interest) mentioned in a.								
d. Arrears on debts (including late interest) mentioned in b.								

Undertakings in Agreed Minute

Local currency counter-part	Deposit in special account	Bilateral deadline	Implementation of Agreed Minute		Period of Fund Arrangement	Other Comments
			Conditions for application of the provisions of the Agreed Minute	Conditions for a meeting to discuss future debt service obligations (Goodwill clause)		
Yes	No	12/31/89	- Satisfactory review of Fund-monitored Program and Fund approval of ESAF or stand-by arrangement by 2/28/1990. - If neither of these programs is in place, payments covered by this Agreed Minutes will be due according to the original contract.	No goodwill clause.	Fund-monitored program 4/28/89-12/31/89	- Debt service and arrears not covered to be paid no later than 2/28/90.

Source: Agreed Minute.

1/ For the purpose of this paper, grace period and maturity on rescheduled amounts of current maturities are defined to begin at the end of the consolidation period. In the case of arrears and late interest, they are measured from the beginning of the consolidation period.

Table 13. Jordan: Date of Agreed Minute: July 19, 1989

Chairmanship--Paris Club

Type of debt covered	Scope of Debt Relief			Repayment Terms 1/	
	Consolidation period	Estimated actual or consolidated (US\$ millions)	Proportion of maturities covered and repayment schedule (In percent)	Grace period (Years)	Maturity = grace + repayment periods (Years)
a. Unpaid principal and interest due on official and officially guaranteed debts having an original maturity of more than one year, extended to the Government of Jordan or covered by its guarantee, pursuant to contract or other financial arrangement concluded before 1/1/89.	a. Principal: 7/1/89-12/31/90 Interest: 7/1/89-12/31/89	587	a. 100 (of principal) and 50 (of interest)--in 10 equal semiannual payments, starting 9/30/95 and ending 3/31/2000.	a. 4.8	a. 9.3
b. Arrears on debts mentioned in a.	b. Arrears as at 6/30/89.		b. 100 (of principal and interest)--in 10 equal semiannual payments, starting 9/30/94 and ending 3/31/99.	b. 5.3	b. 9.8

Undertakings in Agreed Minute						
Local currency counter-part	Deposit in special account	Bilateral deadline	Implementation of Agreed Minute		Period of Fund Arrangement	Other Comments
			Conditions for application of the provisions of the Agreed Minute	Conditions for a meeting to discuss future debt service obligations (Goodwill clause)		
No	No	2/28/90	- Continued arrangement in the upper credit tranches.	- Continued upper credit tranche arrangement with the Fund. - Effective arrangements with banks and other creditors meeting the conditions of the MFN and initiative clause. - Report in writing on the contents of the bilateral agreements with creditors not participating in the Paris Club. - Compliance with all conditions of the Agreed Minute.	SBA 7/14/89- 1/13/91	- Debt service and arrears not covered to be paid no later than 11/15/89. - Specific reference to unchanged cutoff date in the event of a future rescheduling. - Includes a transfer clause whereby the Government of Jordan undertakes to continue to permit the transfer of foreign exchange for servicing private sector debts owed to Paris Club members or observer countries. - Report in writing by 2/28/90 of the progress made in negotiations with other creditors.

Source: Agreed Minute.

1/ For the purpose of this paper, grace period and maturity on rescheduled amounts of current maturities are defined to begin at the end of the consolidation period. In the case of arrears and late interest, they are measured from the beginning of the consolidation period.

Table 14. Mali: Date of Agreed Minute: November 22, 1989

Chairmanship--Paris Club

Type of debt covered	Scope of Debt Relief		Proportion of maturities covered and repayment schedule (In percent)	Repayment Terms 1/	
	Consolidation period	Estimated actual or actual amount consolidated (US\$ millions)		Grace period (Years)	Maturity = grace + repayment periods (Years)
a. Unpaid principal and interest due on official and officially guaranteed debts having an original maturity of more than one year extended to the Government of Mali or covered by its guarantee, pursuant to a contract or other financial arrangement concluded before 1/1/88.	a. 11/1/89-12/31/91	44	a. 100 (of principal and interest). Options A and C: 12 equal semiannual payments starting 5/31/99 and ending 11/30/2004.	a. Options A and C: 7.4 Option B: 13.4	a. Options A and C: 12.9 Option B: 23.9
	b. Arrears as at 10/31/88.	<u>Concessional options:</u> 2/	Option B: 22 equal semi-annual payments starting 5/31/2005 and ending 11/30/2015.	b. 2.2	b. 4.7
	c. Arrears as at 6/30/89.	A: 20 B: 4 C: 20	b. 100 (of arrears on interest)--in 6 equal semiannual payments starting 1/1/92 and ending 7/1/94. c. 100 (of arrears on principal and interest)--in 6 equal semiannual payments starting 1/1/92 and ending 7/1/94.	c. 2.2	c. 4.7
b. Arrears on interest due as a result of the previous consolidation dated 10/27/88.					
c. Arrears on officially guaranteed commercial credits having an original maturity of one year or less, pursuant to a contract or other financial arrangement concluded before 1/1/88.					

Undertakings in Agreed Minute						
Local currency counter-part	Deposit in special account	Bilateral deadline	Implementation of Agreed Minute		Period of Fund Arrangement	Other Comments
			Conditions for application of the provisions of the Agreed Minute	Conditions for a meeting to discuss future debt service obligations (Goodwill clause)		
No	No	4/30/90	- Until 6/30/90 continued upper credit tranche arrangement with the Fund. - Will enter into effect upon signing of the remaining bilateral agreement pursuant to Agreed Minute of 10/27/88. - Provisions will continue to apply: (1) from 1/1/90 to 12/31/90 if the second annual SAF arrangement is approved before 6/30/90; (11) from 1/1/91 to 12/31/91 if the third annual SAF arrangement is approved before 4/30/91.	- Continued appropriate arrangement with the Fund. - Effective arrangements with other creditors meeting the conditions of the MFN and initiative clause. - Report in writing on the contents of the bilateral agreements with creditors not participating in the Paris Club. - Compliance with all conditions of the Agreed Minute.	SBA 8/5/88-6/9/90 SAF Medium-term arrangement 8/5/89-8/5/92 SAF II 1/17/90-1/16/91	- Debt service and arrears not covered to be paid no later than 6/30/90. - Specific reference to unchanged cutoff date in the event of future rescheduling.

Source: Agreed Minute.

1/ For the purpose of this paper, grace period and maturity on rescheduled amounts of current maturities are defined to begin at the end of the consolidation period. In the case of arrears and late interest; they are measured from the beginning of the consolidation period.

2/ Option A: One third of debt service consolidated is canceled, the remaining two-thirds is rescheduled over period indicated on the basis of the appropriate market rate. Option B: Debt service consolidated is rescheduled over period indicated on the basis of the appropriate market rate. Option C: Debt service consolidated is rescheduled over period indicated on the basis of the appropriate market rate reduced by 3.5 percentage points or by 50 percent if 50 percent is less than 3.5 percentage points. Repayment schedule for rescheduled ODA debts under all options is equal to repayment schedule under Option B, with interest rates at least as favorable as the concessional rates applying to ODA loans.

Table 15. Mauritania: Date of Agreed Minute: June 19, 1989

Chairmanship--Paris Club

Type of debt covered	Scope of Debt Relief		Proportion of maturities covered and repayment schedule (In percent)	Repayment Terms 1/		
	Consolidation period	Estimated actual or actual amount consolidated (US\$ millions)		Grace period (Years)	Maturity = grace + repayment periods (Years)	
a. Unpaid principal and interest due on official and officially guaranteed debts having an original maturity of more than one year extended to the Republic of Mauritania, pursuant to a contract or other financial arrangement concluded before 12/31/84.	a. 6/1/89-5/31/90	52	a., b. 100 (of principal and interest). Options A and C: a. 12 equal semiannual payments starting 5/31/98 and ending 11/30/2003; b. 12 equal semiannual payments starting 3/15/98 and ending 9/15/2003. Option B. a. 22 equal semiannual payments starting 5/31/2004 and ending 11/30/2014; b. 22 equal semiannual payments starting 3/15/2004 and ending 9/15/2014. c. 100 (of principal and interest) Options A and C: 12 equal semiannual payments starting 5/31/97 and ending 11/30/2002. Option B: 22 equal semiannual payments starting 5/31/2003 and ending 11/30/2013. d. The remaining: - 25 on 12/31/89, - 25 on 4/30/90, - 25 on 8/31/90, and - 25 on 12/31/90.	a.,c. Options A and C: 8.0 Option B: 14.0	a.,c. Options A and C: 13.5 Option B: 24.5	
	b. 6/1/89-12/31/89	Concessional options: 2/		A: 26 B: 13 C: 13	b. Options A and C: 8.3 Option B: 14.3	b. Options A and C: 13.8 Option B: 24.8
	c. Arrears as at 5/31/89.					
	d. Arrears as at 5/31/89.					
b. Unpaid principal and interest due as a result of the previous consolidations dated 4/27/85, 5/16/86.						
c. Arrears on debts mentioned in a.						
d. Arrears on debts mentioned in b.						
Excludes debt service due as the result of the previous consolidation dated 6/15/87.						

Undertakings in Agreed Minute						
Local currency counterpart	Deposit in special account		Implementation of Agreed Minute		Period of Fund Arrangement	Other Comments
	Bilateral deadline	Conditions for application of the provisions of the Agreed Minute	Conditions for a meeting to discuss future debt service obligations (Goodwill clause)			
Yes	No	3/31/90	- Continued arrangement with the Fund under ESAF.	No goodwill clause.	ESAF medium-term arrangement 5/24/89-5/23/92 ESAF I 5/24/89-5/23/90	- Debt service and arrears not covered to be paid no later than 10/31/89. - Report in writing by 10/31/89 on the status of financial relations with other creditors.

Source: Agreed Minute.

1/ For the purpose of this paper, grace period and maturity on rescheduled amounts of current maturities are defined to begin at the end of the consolidation period. In the case of arrears and late interest, they are measured from the beginning of the consolidation period.

2/ Option A: One third of debt service consolidated is canceled, the remaining two-thirds is rescheduled over period indicated on the basis of the appropriate market rate. Option B: Debt service consolidated is rescheduled over period indicated on the basis of the appropriate market rate. Option C: Debt service consolidated is rescheduled over period indicated on the basis of the appropriate market rate reduced by 3.5 percentage points or by 50 percent if 50 percent is less than 3.5 percentage points. Repayment schedule for rescheduled ODA debts under all options is equal to repayment schedule under Option B, with interest rates at least as favorable as the concessional rates applying to ODA loans.

Table 16. Mexico: Date of Agreed Minute: May 30, 1989

Chairmanship--Paris Club

Type of debt covered	Scope of Debt Relief		Proportion of maturities covered and repayment schedule (in percent)	Repayment Terms 1/	
	Consolidation period	Estimated actual or consolidated amount (US\$ millions)		Grace period (Years)	Maturity = grace + repayment periods (Years)
Unpaid principal and interest due on official and officially guaranteed debts having an original maturity of more than one year, extended to or guaranteed by the Government of Mexico, pursuant to a contractor other financial arrangements concluded before 12/31/85.	6/1/89-5/31/92 in 3 tranches:	2,400	a. 100 (of principal) and 100 (of interest)--in 8 equal semi-annual payments starting 4/30/96 and ending 10/31/99.	a. 6.1	a. 9.6
	a. 6/1/89-3/31/90			b. 6.1	b. 9.6
	b. 4/1/90-3/31/91			c. 5.9	c. 9.4
Excludes debt service due as a result of the previous consolidations dated 6/22/83, 9/17/86.	c. 4/1/91-5/31/92		b. 100 (of principal) and 90 (of interest)--in 8 equal semiannual payments starting 4/30/97 and ending 10/31/2000.		
			c. 100 (of principal) and 80 (of interest)--in 8 equal semiannual payments starting 4/30/98 and ending 10/31/2001.		

Undertakings in Agreed Minute						
Local currency counterpart	Deposit in special account		Implementation of Agreed Minute		Period of Fund Arrangement	Other Comments
	Bilateral deadline	Conditions for application of the provisions of the Agreed Minute	Conditions for a meeting to discuss future debt service obligations (Goodwill clause)			
No	No	2/28/90	- Continued extended arrangement. For tranches b. and c.: - Positive assessment by creditors by 3/31/90 and 3/31/91 on progress made in negotiation of agreements with other creditors. - Completion of the reviews under the extended arrangement scheduled to be completed before 2/28/90 and 2/28/91 by the Fund no later than 3/31/90 and 3/31/91, respectively.	- Continued extended arrangement or other upper credit tranche arrangement with the Fund. - Effective arrangements with banks and other creditors meeting the conditions of the MFN and initiative clause. - Report in writing on the contents of the bilateral agreements with creditors not participating in the Paris Club. - Compliance with all conditions of the Agreed Minute.	Extended arrangement 5/26/89-5/25/92	- Debt service not covered to be paid no later than 9/30/89. - Specific reference to unchanged cutoff date in the event of a future rescheduling. - Transfer clause whereby the Government of Mexico undertakes to continue to grant access to and transfer of foreign exchange to private debtors for servicing their debt.

Source: Agreed Minute.

1/ For the purpose of this paper, grace period and maturity on rescheduled amounts of current maturities are defined to begin at the end of the consolidation period. In the case of arrears and late interest; they are measured from the beginning of the consolidation period.

Table 17. Nigeria: Date of Agreed Minute: March 3, 1989

Chairmanship--Paris Club

Type of debt covered	Scope of Debt Relief		Proportion of maturities covered and repayment schedule (In percent)	Repayment Terms 1/					
	Consolidation period	Estimated actual or consolidated (US\$ millions)		Grace period (Years)	Maturity = grace + repayment periods (Years)				
a. Unpaid principal and interest due on official and officially guaranteed debts extended to the Republic of Nigeria having an original maturity of more than one year, pursuant to a contract, or other financial arrangement concluded before 10/1/85.	a.,b.	1/1/89-4/30/90	5,600 2/	a.,b.	100 (of principal and interest)--10 equal semiannual payments starting 2/28/95 and ending 8/31/99.	a.,b.	4.8	a.,b.	9.3
	c.,d.,e.	Arrears (including late interest) as at 12/31/88.		c.	100 (of principal and interest, including late interest)--10 equal semiannual payments starting 2/28/95 and ending 8/31/99.	c.	6.2	c.	10.7
				d.	Up to 60 (of principal and interest, including late interest)--6 equal semiannual payments starting 1/31/90 and ending 7/31/92; the remainder to be paid by 1/31/90.	d.	1.1	d.	3.6
				e.	100 (of principal and interest, including late interest)--10 equal semiannual payments starting 6/30/90 and ending 12/31/94.	e.	1.5	e.	6.0
b. Unpaid principal and interest due as a result of the previous consolidation dated 12/16/86.									
c. Arrears (including late interest) on debts mentioned in a. above.									
d. Arrears (including late interest) on debts mentioned in b. above.									
e. Arrears (including late interest) on credits having an original maturity of less than one year, pursuant to a contract or other financial arrangement concluded before 12/31/88.									

Undertakings in Agreed Minute						
Local currency counterpart	Deposit in special account	Bilateral deadline	Implementation of Agreed Minute		Period of Fund Arrangement	Other Comments
			Conditions for application of the provisions of the Agreed Minute	Conditions for a meeting to discuss future debt service obligations (Goodwill clause)		
Yes	Yes	9/30/89	- Continued arrangement in the upper credit tranches.	- Continued upper credit tranche arrangement with the Fund. - Effective arrangements with banks and other creditors meeting the conditions of the MFN and initiative clause. - Report in writing on the contents of the bilateral agreements with creditors not participating in the Paris Club. - Compliance with all conditions of the Agreed Minute.	SBA 2/3/89-4/30/90	- Debt service and arrears not covered to be paid no later than 9/30/89. - Specific reference to unchanged cutoff date in the event of a future rescheduling. - Debt service payments resulting from the consolidation of debts mentioned in c., d., and e. above specifically excluded from future rescheduling. - Includes a transfer clause and guarantee by the Government of Nigeria for private sector debts for which the local currency counterpart has been deposited.

Source: Agreed Minute.

1/ For the purpose of this paper, grace period and maturity on rescheduled amounts of current maturities are defined to begin at the end of the consolidation period. In the case of arrears and late interest; they are measured from the beginning of the consolidation period.

2/ Provisional figure.

Table 18. Philippines: Date of Agreed Minute: May 26, 1989
Chairmanship--Paris Club

Type of debt covered	Scope of Debt Relief		Proportion of maturities covered and repayment schedule (In percent)	Repayment Terms 1/	
	Consolidation period	Estimated actual or consolidated (US\$ millions)		Grace period (Years)	Maturity = grace + repayment periods (Years)
a. Unpaid principal and interest due on official and officially guaranteed debts which were extended to the Government of the Philippines or covered by its guarantee having an original maturity of more than a year, pursuant to a contract or other financial arrangement concluded before 4/1/84.	a. 6/1/89-6/30/91	1,850	a. 100 (of principal) and 75 (of interest)--in 8 equal semiannual payments starting 12/31/96 and ending 6/30/2000.	a. 5.5	a. 9.0
	b. Arrears as at 5/31/89.		The remaining 25 (of interest) will be paid as follows: 10--on 6/30/91, and 15--on 6/30/92.	b. 5.0	b. 8.5
b. Arrears on debts mentioned in a. above.			b. 100 (of principal and interest)--in 8 equal semiannual payments starting 5/31/94 and ending 11/30/97.		

Excludes payments due as a result of the previous consolidations dated 12/20/84 and 1/22/87.

Undertakings in Agreed Minute						
Local currency counterpart	Deposit in special account	Bilateral deadline	Implementation of Agreed Minute		Period of Fund Arrangement	Other Comments
			Conditions for application of the provisions of the Agreed Minute	Conditions for a meeting to discuss future debt service obligations (Goodwill clause)		
Yes	No	2/28/90	- Continued extended arrangement with the Fund. - The provisions will continue to apply for the period 4/1/90 to 6/30/91 provided that the Fund informs the Chairman of the Paris Club no later than 3/31/90 that the review of the extended arrangement that is scheduled to be completed by 12/31/89 has been completed.	- Continued upper credit tranche arrangement with the Fund. - Effective arrangements with banks and other creditors meeting the conditions of the MFN and initiative clause. - Report in writing on the contents of the bilateral agreements with creditors not participating in the Paris Club. - Compliance with all conditions of the Agreed Minute.	EFF 5/23/89- 5/22/92	- Debt service and arrears not covered to be paid no later than 9/30/89. - Specific reference to unchanged cutoff date in the event of a future rescheduling. - Transfer clause, whereby the Government of the Philippines guarantees the unrestricted transfer of the foreign exchange counterpart of all amounts paid in local currency by private debtors for servicing their debts not subject to the present consolidation.

Source: Agreed Minute.

1/ For the purpose of this paper, grace period and maturity on rescheduled amounts of current maturities are defined to begin at the end of the consolidation period. In the case of arrears and late interest; they are measured from the beginning of the consolidation period.

Table 19. Senegal: Date of Agreed Minute: January 24, 1989

Chairmanship--Paris Club

Type of debt covered	Scope of Debt Relief		Proportion of maturities covered and repayment schedule (In percent)	Repayment Terms 1/	
	Consolidation period	Estimated actual or actual amount consolidated (US\$ millions)		Grace period (Years)	Maturity = grace + repayment periods (Years)
a. Unpaid principal and interest due on official and officially guaranteed debts extended to or guaranteed by the Government of Senegal having an original maturity of more than one year, pursuant to a contract or other financial arrangement concluded before 1/1/83.	a. 11/01/88-12/31/89	143	a.,b. 100 (of principal and interest). Options A and C: 12 equal semiannual payments starting 8/31/97 and ending 2/28/2003. Option B: 22 equal semiannual payments starting 8/31/2003 and ending 2/28/2014.	a. Options A and C: 7.7 Option B: 13.7	a. Options A and C: 13.2 Option B: 24.2
	b. 11/01/88-06/30/89	Concessional options: 2/ A: 92 B: 14 C: 37		b. Options A and C: 8.2 Option B: 14.2	b. Options A and C: 13.7 Option B: 24.7
b. Unpaid principal and interest due as a result of the previous consolidations dated 10/13/81, 11/29/82, 12/21/83, 1/18/85, 11/21/86, and 11/17/87.					

Undertakings in Agreed Minute						
Local currency counter-part	Deposit in special account	Bilateral deadline	Implementation of Agreed Minute		Period of Fund Arrangements	Other Comments
			Conditions for application of the provisions of the Agreed Minute	Conditions for a meeting to discuss future debt service obligations (Goodwill clause)		
No	No	6/30/89	Continued arrangement under the ESAF.	- Continued arrangement with the Fund under the ESAF or in the upper credit tranches. - Effective arrangements with banks and other creditors meeting the conditions of the MFN and initiative clauses. - Report in writing on the contents of the bilateral agreements with creditors not participating in the Paris Club. - Compliance with all conditions of the Agreed Minute.	ESAF medium-term arrangement 11/21/88 11/20/91 ESAF I 11/21/88 11/20/89 arrangement	- Debt service not covered to be paid no later than 3/31/89. - Specific reference to unchanged cutoff date in the event of a future rescheduling.

Source: Agreed Minute.

1/ For the purpose of this paper, grace period and maturity on rescheduled amounts of current maturities are defined to begin at the end of the consolidation period. In the case of arrears and late interest, they are measured from the beginning of the consolidation period.

2/ Option A: One third of debt service consolidated is canceled, the remaining two-thirds is rescheduled over period indicated on the basis of the appropriate market rate. Option B: Debt service consolidated is rescheduled over period indicated on the basis of the appropriate market rate. Option C: Debt service consolidated is rescheduled over period indicated on the basis of the appropriate market rate reduced by 3.5 percentage points or by 50 percent if 50 percent is less than 3.5 percentage points. Repayment schedule for rescheduled ODA debts under all options is equal to repayment schedule under Option B, with interest rates at least as favorable as the concessional rates applying to ODA loans.

Table 20. Togo: Date of Agreed Minute: June 20, 1989

Chairmanship--Paris Club

Type of debt covered	Scope of Debt Relief		Repayment Terms 1/		
	Consolidation period	Estimated actual or consolidated (US\$ millions)	Proportion of maturities covered and repayment schedule (In percent)	Grace period (Years)	Maturity = grace + repayment periods (Years)
a. Unpaid principal and interest due on official and officially guaranteed debts having an original maturity of more than one year, extended to the Government of Togo or covered by its guarantee, pursuant to a contract or other financial arrangement concluded before 1/1/83.	a., b., c. 4/16/89- 6/30/90	76 Conces- sional options: 2/ A: 26 B: 18 C: 32	a., b. 100 (of principal and interest); c. 100 (of principal) Options A and C: 12 equal semiannual payments starting 5/31/98 and ending 11/30/2003. Option B: 22 equal semiannual payments starting 5/31/2004 and ending 11/30/2014.	a., b., c. Options A and C: 7.9 Option B: 13.9	a., b., c. Options A and C: 13.4 Option B: 24.4
b. Unpaid principal and interest due as a result of the previous consolidations dated 2/20/81, and 4/12/83.					
c. Unpaid principal due as a result of previous consolidations dated 6/15/79.					
Excludes debt service as a result of the previous consolidations dated 6/6/84, 6/24/85, and 3/22/88.					

Undertakings in Agreed Minute						
Implementation of Agreed Minute						
Local currency counter-part	Deposit in special account	Bilateral deadline	Conditions for application of the provisions of the Agreed Minute	Conditions for a meeting to discuss future debt service obligations (Goodwill clause)	Period of Fund Arrange-ment	Other Comments
No	No	3/31/90	- Continued arrange-ment under ESAF.	- Continued upper credit tranche arrangement with the Fund. - Effective arrangements with banks and other creditors meeting the conditions of the MFN and initiative clauses. - Report in writing on the contents of the bilateral agreements with creditors not participating in the Paris Club. - Compliance with all conditions of the Agreed Minute.	ESAF medium-term arrange-ment 5/31/89-5/30/92 ESAF I 5/31/89-5/30/90	- Debt service not covered to be paid no later than 10/31/89. - Specific reference to unchanged cutoff date in the event of a future rescheduling.

Source: Agreed Minute.

1/ For the purpose of this paper, grace period and maturity on rescheduled amounts of current maturities are defined to begin at the end of the consolidation period. In the case of arrears and late interest; they are measured from the beginning of the consolidation period.

2/ Option A: One third of debt service consolidated is canceled, the remaining two-thirds is rescheduled over period indicated on the basis of the appropriate market rate. Option B: Debt service consolidated is rescheduled over period indicated on the basis of the appropriate market rate. Option C: Debt service consolidated is rescheduled over period indicated on the basis of the appropriate market rate reduced by 3.5 percentage points or by 50 percent if 50 percent is less than 3.5 percentage points. Repayment schedule for rescheduled ODA debts under all options is equal to repayment schedule under Option B, with interest rates at least as favorable as the concessional rates applying to ODA loans.

Table 21. Trinidad and Tobago: Date of Agreed Minute: January 25, 1989

Chairmanship--Paris Club

Type of debt covered	Scope of Debt Relief		Proportion of maturities covered and repayment schedule (In percent)	Repayment Terms 1/	
	Consolidation period	Estimated actual or actual amount consolidated (US\$ millions)		Grace period (Years)	Maturity = grace + repayment periods (Years)
a. Unpaid principal due on official and officially guaranteed debts having an original maturity of more than one year, which were extended to or guaranteed by the Government of Trinidad and Tobago or its public sector, including payments due under previous bilateral consolidations, pursuant to a contract or other financial arrangement concluded before 9/1/88.	a. 1/1/89-2/28/90	209	a. 100 (of principal)--10 equal semiannual payments starting 1/31/95 and ending 7/31/99. b. 100 (of principal in arrears)--10 equal semiannual payments starting 1/31/93 and ending 7/31/97.	a. 4.9	a. 9.4
	b. Arrears as at 12/31/88.			b. 4.1	b. 8.6
b. Arrears on debts mentioned in a. above.					

Undertakings in Agreed Minute

Local currency counterpart	Deposit in special account	Bilateral deadline	Implementation of Agreed Minute		Period of Fund Arrangement	Other Comments
			Conditions for application of the provisions of the Agreed Minute	Conditions for a meeting to discuss future debt service obligations (Goodwill clause)		
Yes	No	7/31/89	- Continued arrangement in the upper credit tranches.	- Continued upper credit tranche arrangement with the Fund. - Effective arrangements with banks and other creditors meeting the conditions of the MFN and initiative clause. - Report in writing on the contents of the bilateral agreements with creditors not participating in the Paris Club. - Compliance with all conditions of the Agreed Minute.	SBA 1/13/89-2/28/90	- Debt service and arrears not covered to be paid no later than 3/31/89. - Specific reference to unchanged cutoff date in the event of a future rescheduling. - Includes a transfer clause whereby the Government of Trinidad and Tobago guarantees within an appropriate exchange rate system the immediate and unrestricted transfer of the foreign exchange counterpart of all amounts paid in local currency by private debtors in Trinidad and Tobago for servicing their debt to Paris Club creditors.

Source: Agreed Minute.

1/ For the purpose of this paper, grace period and maturity on rescheduled amounts of current maturities are defined to begin at the end of the consolidation period. In the case of arrears and late interest, they are measured from the beginning of the consolidation period.

Table 22. Uganda: Date of Agreed Minute: January 26, 1989

Chairmanship--Paris Club

Type of debt covered	Scope of Debt Relief			Repayment Terms 1/	
	Consolidation period	Estimated actual or consolidated (US\$ millions)	Proportion of maturities covered and repayment schedule (In percent)	Grace period (Years)	Maturity = grace + repayment periods (Years)
a. Unpaid principal and interest due on official and officially guaranteed debts extended to the Republic of Uganda having an original maturity of more than one year, pursuant to a contract or other financial arrangement concluded before 7/1/81.	a.,b. 01/01/89-06/30/90 c. Arrears as at 12/31/88.	89 <u>Concessional options: 2/</u> A: 8 B: 3 C: 78	a.,b. 100 (of principal and interest). Options A and C: 12 equal semiannual payments starting 3/31/98 and ending 9/30/2003. Option B: 22 equal semi-annual payments starting 3/31/2004 and ending 9/30/2014. c. 100 (of arrears on principal and interest, including late interest). Options A and C: 12 equal semiannual payments starting 3/31/97 and ending 9/30/2002. Option B: 22 equal semi-annual payments starting 3/31/2003 and ending 9/30/2013.	a.,b. Options A and C: 7.8 Option B: 13.8 c. Options A and C: 8.3 Option B: 14.3	a.,b. Options A and C: 13.3 Option B: 24.3 c. Options A and C: 13.8 Option B: 24.8
b. Unpaid principal and interest due as a result of the previous consolidations dated 11/18/81, 12/01/82, and 06/19/87.					
c. Arrears on debts (including late interest) mentioned in a. and b. above.					

Undertakings in Agreed Minute						
Implementation of Agreed Minute						
Local currency counter-part	Deposit in special account	Bilateral deadline	Conditions for application of the provisions of the Agreed Minute	Conditions for a meeting to discuss future debt service obligations (Goodwill clause)	Period of Fund Arrangements	Other Comments
Yes	Yes	9/30/89	- Continued arrangement under the SAF. - The provision will also continue to apply from 7/1/89 to 6/30/90 provided that the Fund approves by 9/30/89 the third annual arrangement under the SAF or any other appropriate arrangement.	- Continued appropriate arrangement with the Fund. - Effective arrangements with banks and other creditors meeting the conditions of the MFN and initiative clauses. - Report in writing on the contents of the bilateral agreements with creditors not participating in the Paris Club. - Compliance with all conditions of the Agreed Minute.	SAF medium-term arrangement 6/15/87-6/14/90 SAF II 9/14/88-9/13/89	- Debt service and arrears not covered to be paid no later than 8/31/89. - Specific reference to unchanged cutoff date in the event of a future rescheduling.

Source: Agreed Minute.

1/ For the purpose of this paper, grace period and maturity on rescheduled amounts of current maturities are defined to begin at the end of the consolidation period. In the case of arrears and late interest, they are measured from the beginning of the consolidation period.

2/ Option A: One third of debt service consolidated is canceled, the remaining two-thirds is rescheduled over period indicated on the basis of the appropriate market rate. Option B: Debt service consolidated is rescheduled over period indicated on the basis of the appropriate market rate. Option C: Debt service consolidated is rescheduled over period indicated on the basis of the appropriate market rate reduced by 3.5 percentage points or by 50 percent if 50 percent is less than 3.5 percentage points. Repayment schedule for rescheduled ODA debts under all options is equal to repayment schedule under Option B, with interest rates at least as favorable as the concessional rates applying to ODA loans.

Table 23. Zaïre: Date of Agreed Minute: June 23, 1989

Chairmanship--Paris Club

Type of debt covered	Scope of Debt Relief		Proportion of maturities covered and repayment schedule (In percent)	Repayment Terms 1/	
	Consolidation period	Estimated actual or consolidated amount (US\$ millions)		Grace period (Years)	Maturity = grace + repayment periods (Years)
a. Unpaid principal and interest due on official and officially guaranteed debts having an original maturity of more than one year extended to the Republic of Zaïre, pursuant to a contract or other financial arrangement concluded before 6/30/83.	a.,b.,c. 6/1/89- 6/30/90	1,530 <u>Concessional options: 2/</u>	a., b., c. 100 (of principal and interest). Options A and C: 12 equal semiannual payments starting 5/31/98 and ending 11/30/2003. Option B: 22 equal semiannual payments starting 5/31/2004 and ending 11/30/2014.	a.,b.,c. Options A and C: 7.9 Option B: 13.9	a.,b.,c. Options A and C: 13.4 Option B: 24.4
b. Unpaid principal and interest due as a result of the previous consolidations dated 6/16/76, 7/7/77, 12/1/77, 12/11/79, 7/9/81, 12/20/83, 9/18/85.	d.,e. Arrears as at 5/31/89	A: 300 B: 820 C: 410	d. 100 (of principal and interest). Options A and C: 12 equal semiannual payments starting 5/31/97 and ending 11/30/2002. Option B: 22 equal semiannual payments beginning 5/31/2003 and ending 11/30/2013.	d. Options A and C: 8.0 Option B: 14.0	d. Options A and C: 13.5 Option B: 24.5
c. Unpaid principal and interest due as a result of the previous consolidations dated 5/15/86 and 5/18/87.			e. To be paid as follows: - 33.33 on 10/31/99 - 33.33 on 6/30/90 - 33.34 on 1/31/91		
d. Arrears on debts mentioned in a. and b. above.					
e. Arrears on debts mentioned in c. above.					

Undertakings in Agreed Minute						
Local currency counter-part	Deposit in special account		Implementation of Agreed Minute		Period of Fund Arrangement	Other Comments
	Bilateral deadline		Conditions for application of the provisions of the Agreed Minute	Conditions for a meeting to discuss future debt service obligations (Goodwill clause)		
Yes	Yes	3/31/90	- Continued upper credit tranche arrangement with the Fund. - Provisions come into force provided: (i) All bilateral agreements with Paris Club creditors pursuant to the previous agreed minutes are signed. (ii) First payment on arrears (e. above). - The provisions will be null and void if the review under the SBA scheduled to be completed by 9/30/89 has not been completed by 10/31/89.	- Continued appropriate arrangement with the Fund. - Effective arrangements with banks and other creditors meeting the conditions of MFN and initiative clause. - Report in writing on the contents of the bilateral agreements with creditors not participating in the Paris Club. - Compliance with all conditions of the Agreed Minute.	SBA 6/9/89- 6/8/90 SAF medium-term arrangement 5/15/87- 5/14/90 SAF II 6/9/89- 6/8/90	- Debt service and arrears not covered to be paid no later than 10/31/89. - Specific reference to unchanged cutoff date in the event of a future rescheduling. - Report in writing by 3/31/90 of the progress made in negotiating with other creditors.

Source: Agreed Minute.

1/ For the purpose of this paper, grace period and maturity on rescheduled amounts of current maturities are defined to begin at the end of the consolidation period. In the case of arrears and late interest; they are measured from the beginning of the consolidation period.

2/ Option A: One third of debt service consolidated is canceled, the remaining two-thirds is rescheduled over period indicated on the basis of the appropriate market rate. Option B: Debt service consolidated is rescheduled over period indicated on the basis of the appropriate market rate. Option C: Debt service consolidated is rescheduled over period indicated on the basis of the appropriate market rate reduced by 3.5 percentage points or by 50 percent if 50 percent is less than 3.5 percentage points. Repayment schedule for rescheduled ODA debts under all options is equal to repayment schedule under Option B, with interest rates at least as favorable as the concessional rates applying to ODA loans.