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CONFIDENTIAL

May 29, 1990

To: Members of the Executive Board

From: The Secretary

Subject: Review of the Fund's Income Position - Actual Outcome for  
FY 1990 and the Basic Rate of Charge for FY 1991 - and  
Review of Special Charges and the Interest Rate of the SDR

The attached paper, together with the paper on the Fund's income position for FY 1990 and FY 1991 (EBS/90/70, 4/17/90) has been tentatively scheduled for discussion on Monday, June 4, 1990. Draft decisions appear on pages 9-11.

Mr. Wittich (ext. 8307) or Mr. Keuppens (ext. 7813) 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

Review of the Fund's Income Position--Actual Outcome for  
FY 1990 and the Basic Rate of Charge for FY 1991--and  
Review of Special Charges and the Interest Rate of the SDR

Prepared by the Treasurer's Department

(In consultation with the Legal Department)

Approved by Gerhard Laske

May 25, 1990

I. Introduction

In mid-April 1990, provisional indications of the Fund's income for FY 1990 and 1991, based on actual data for the first ten months of the financial year, were issued as background for the discussion of the Administrative and Capital Budget for FY 1991. 1/

The present paper updates these projections in the light of developments of the last two months of the financial year and provides the data necessary for the determination of the rate of charge on the use of ordinary resources for FY 1991. 2/ The paper also contains a review of the system of special charges, which is to be conducted on an annual basis, and the annual review of the rate of interest on holdings of SDR called for by Rule T-1(d) at the conclusion of each financial year.

This paper is organized as follows: the actual outcome for FY 1990 is discussed in Section II; alternatives for the use of income in excess of the target amount are discussed in Section III; the updated projections for FY 1991 are provided in Section IV; the rate of charge for FY 1991 and the method for setting this rate are discussed in Section V; and the review of special charges and the SDR interest rate are in Section VI. Section VII contains a summary and conclusions.

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1/ See "Review of the Fund's Income Position for Financial Years 1990 and 1991" (EBS/90/70, 4/17/90).

2/ The actual results for FY 1990 are still subject to final review, and to audit by the External Audit Committee.

Table 1. Income and Expense for FY 1990 and FY 1991

(In millions of SDRs)

	FY 1990		FY 1991 Preliminary Projections Based on	
	Revised Projections (EBS/90/70)	Actual Result	Adjusted Rate of Charge at End of FY 1990	Rate of Charge Needed to Achieve an Income Target of 5 Percent
1. Operational Income				
a. Periodic charges:				
Regular facilities	1,250	1,247	1,598	1,342
SFF	63	64	31	31
EAR	<u>598</u>	<u>597</u>	<u>684</u>	<u>684</u>
Burden sharing adjustments	1,911	1,908	2,313	2,057
	<u>108</u>	<u>129</u>	<u>35</u>	<u>35</u>
Deduct - Deferred periodic charges	2,019	2,037	2,348	2,092
	<u>-151</u>	<u>-193</u>	<u>--</u>	<u>--</u>
Special charges, net	1,868	1,844	2,348	2,092
	9	9	--	--
b. Interest on SDR holdings	89	88	90	90
c. Other income:				
Regular facilities	21	20	35	35
EAR	<u>8</u>	<u>7</u>	<u>15</u>	<u>15</u>
Total other income	29	27	50	50
Total operational income	1,995	1,968	2,488	2,232
2. Operational Expense				
a. Remuneration	1,388	1,383	1,555	1,562
Burden sharing adjustments	<u>-108</u>	<u>-129</u>	<u>-35</u>	<u>-35</u>
	1,280	1,254	1,520	1,527
b. Interest expense				
SFF	28	28	3	3
EAR	<u>318</u>	<u>317</u>	<u>365</u>	<u>365</u>
Total interest expense	346	345	368	368
c. Allocation to the Special Contingent Account	<u>65</u>	<u>65</u>	<u>70</u>	<u>70</u>
Total operational expense	1,691	1,664	1,958	1,965
3. Net operational income	304	304	530	267
4. Administrative expense	<u>187</u>	<u>188</u>	<u>197</u>	<u>197</u>
5. Net income	117	116	333	70

## II. Net Income for FY 1990

Actual net income for FY 1990 amounts to SDR 116 million, SDR 1 million less than projected in mid-April, 1/ and is SDR 30 million in excess of the target amount for the year of about SDR 86 million (see Table 1).

The factors contributing to the realization of higher than projected income for the year as a whole have been discussed in the earlier papers, 2/ and primarily reflect (i) higher-than projected SDR and market related interest rates, (ii) the payment of deferred special charges, (iii) lower administrative expenses in terms of SDR and (iv) lower use of Fund credit, which, to some extent offsets higher income. The impact of these factors is summarized in Table 2.

Table 2. Explanation of Differences between  
Projections at the Beginning of the  
Year and Actual Net Income for FY 1990

(In millions of SDRs)

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Target net income	86
Actual outcome	<u>116</u>
	30
Attributable to:	
a. Higher SDR and other market related interest rates	17
b. Payment of Special Charges	9
c. Lower administrative expenses in terms of SDR	6
d. Lower use of Fund credit	<u>-2</u>
Total	30

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1/ See the "Review of the Fund's Income Position for Financial Years 1990 and 1991" (EBS/90/70, 4/17/90).

2/ See "Midyear Review of the Fund's Income Position for Financial Year 1990" (EBS/89/221, 11/21/89) and "Review of the Fund's Income Position for Financial Year 1990 and 1991" (EBS/90/70, 4/17/90).

### III. Use of FY 1990 Net Income

As mentioned, the provisional amount of net income, at SDR 116 million, exceeds the target amount for FY 1990 by SDR 30 million. 1/ It is proposed that the target amount of income, SDR 86 million, be added to the Fund's Special Reserves. 2/ As to net income in excess of the target amount, Rule I-6(4)(c) and (d) suggest the following use for the whole or part: a reduction in the (basic) rate of charge for the year just ended, or an increase of the (basic) rate of remuneration to not more than the SDR interest rate, placement to the Fund's reserves, or deeming it income for the subsequent financial year. The amount could also be placed to the Special Contingent Account. Placement to the reserves could be decided with a simple majority, while a retroactive reduction of the rate of charge, deeming, and placement to the Special Contingent Account require a majority of 70 percent of the total voting power.

#### (i) Reduction of the rate of charge for FY 1990

Use of the amount in excess of the target would allow a reduction of the average basic rate of charge for FY 1990 by 20 basis points, reducing it from 8.34 percent to 8.14 percent, or from 96.3 percent to 94.0 percent of the SDR interest rate.

#### (ii) Increase in the basic rate of remuneration for FY 1990

The basic rate of remuneration since February 1, 1987 has been set at 100 percent of the SDR rate of interest, and can not be increased beyond this level under the Articles.

#### (iii) Placement to Reserves or the SCA

Allocation of income in excess of the target amount to reserves or to the SCA would further strengthen the Fund's financial position. It would raise the increase in precautionary balances during the year from SDR 150.5 million to SDR 181.0 million, or from 11.5 percent of reserves

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1/ The actual amount of net income for FY 1990 will be known only when the Board has decided on the use of the amount in excess of the target.

2/ Since 1972, net income placed to reserves has been added to the Special Reserve. See "Review of the Fund's Income Position - Disposal of Net Income for FY 1988, and Rate of Charge on the Use of Ordinary Resources for FY 1989" (EBS/88/81, Supplement 2, 6/10/88). The Special and General Reserve serve the same purpose, except that the Special Reserve is not available for distribution while any part of the General Reserve can be distributed in proportion to quotas, by a decision of the Executive Board with a majority of 70 percent of voting power; administrative losses are first to be charged to the Special Reserve.

at the beginning of the year to 13.8 percent. It would raise total precautionary balances to SDR 1,642 million, or about one-half of total overdue obligations to the Fund of about SDR 3,270 million at April 30, 1990 (see also Appendix Table 3).

(iv) Deeming the excess income in FY 1991

Deeming income in excess of the target amount as income for FY 1991 would indicate that part of the target amount of net income for FY 1991 has already been earned <sup>1/</sup> and therefore allow a somewhat lower basic rate of charge than would be required otherwise. The net income target of 5 percent of reserves at the beginning of the year would be reduced from SDR 70 million to SDR 40 million for FY 1991, and the basic rate of charge to achieve the target would be about 18 basis points lower than otherwise necessary, and the proportion of the SDR interest rate would be reduced from 91.3 percent to 89.3 percent.

The use for the amount of net income in excess of the target needs to be decided by the Executive Board. In coming to its conclusion, the Executive Board may wish to take into account that the rate of charge was determined at the beginning of the financial year so as to achieve the agreed net income target. The "excess" could thus be attributed, in retrospect, to the rate of charge which was higher than necessary to achieve the net income target. In that light it would seem to be appropriate retroactively to reduce the rate of charge to a level that would bring the agreed amount of net income to its target level. Alternatively, the "excess" could be deemed to be income in FY 1991 and accordingly a lower basic rate of charge could be set for that financial year than otherwise would be called for. A number of Directors in the discussion of the intensified strategy to solve the problem of arrears have, however, expressed the view that the Fund's precautionary balances are not ample in comparison to the current financial uncertainties and the level of overdue obligations and, consequently, consideration could be given to using the excess net income to increase the Fund's precautionary balances.

In view of the understandings reached in the Interim Committee on extended burden sharing and the prospective increase in precautionary balances, the staff would suggest that the Executive Board consider one of the alternatives for reducing the rate of charge. While this could be achieved either through a retroactive reduction of the rate of charge or through deeming the amount in excess of the target as income for FY 1991, the former would avoid the potential distributional aspects of offsetting a rate of charge higher than necessary to achieve the target

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<sup>1/</sup> The deemed amount would be added to the Fund's reserves in FY 1990, offset by a correspondingly smaller addition in the following year.

amount of income in one year with a rate of charge lower than required in the following year. On balance, the staff therefore would recommend for Board consideration a retroactive reduction of the basic rate of charge on the use of ordinary resources in FY 1990.

#### IV. Updated Projection for FY 1991

The preliminary projections for FY 1991 presented in EBS/90/70 have been updated in the light of current developments (see Table 1). Two sets of projections are presented for FY 1991. The first projection (Table 1, column 3) is based on the adjusted rate of charge of 9.78 percent in effect at the end of the financial year that would become the basic rate of charge for FY 1991 if the Executive Board did not decide on another rate, with the required majority of 70 percent of the total voting power. Based on this rate, net income is projected at SDR 333 million. The second projection reflects the rate of charge (and the proportion of the SDR interest rate) that would be required to achieve the income target of 5 percent of reserves at the beginning of the year, or SDR 70 million (Table 1, column 4). On the traditional projection that the current SDR interest rate of about 9.0 percent would continue throughout FY 1991, the basic rate of charge to meet the target income would be 8.22 percent, or 91.3 percent of the SDR interest rate as compared to the present proportion of 96.3 percent.

#### V. The Rate of Charge for FY 1991

Executive Directors may recall that a revised method of setting the basic rate of charge was adopted for FY 1990 in order to reduce the need for abrupt and substantial changes. The experience with that method was discussed in the earlier paper reviewing the Fund's income position, <sup>1/</sup> which indicated that it has worked relatively well during FY 1990, facilitated a smoother adjustment of the rate of charge, and helped to avoid a shortfall of net income from the target amount. It is therefore proposed that setting the rate of charge as a proportion of the SDR interest rate be continued. <sup>2/</sup> Based on present projections, the proportion of the rate of charge to the SDR rate for FY 1991 would be equal to 91.3 percent of the SDR interest rate. With the current SDR interest rate of 9.0 percent, the projected "basic" rate of charge would be 8.22 percent.

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<sup>1/</sup> "Review of the Fund's Income Position for Financial Years 1990 and 1991 (EBS/90/70, 4/17/90), pp. 10-13.

<sup>2/</sup> The net income target is more likely to be achieved if the rate of charge is determined as a proportion of the SDR interest rate, rather than by deducting fixed margin from the SDR interest rate, when the rate of charge needed to achieve the target is lower than the SDR interest rate.

## VI. Review of Special Charges and SDR Interest Rate

### (i) Special charges

The system of special charges on overdue financial obligations to the Fund entered into effect on February 1, 1986, and was designed to recover the direct financial costs borne by the Fund as a result of late payments. No basic modifications of the system have been made since its introduction, and the Executive Board has concluded at previous reviews that the system of special charges is broadly appropriate for its intended purpose.

The system of special charges applies to overdue financial obligations to the Fund which are not settled within ten business days. Special charges on overdue repurchases of ordinary resources are calculated as the difference, if positive, between the SDR rate of interest and the rate of charge on ordinary resources. Special charges on overdue repurchases of ordinary resources averaged 0.32 percent during financial year 1990. Special charges on overdue charges, which are levied at a rate equal to the rate of interest on the SDR, varied between 7.93 percent and 9.32 percent and averaged 8.66 percent during financial year 1990. A special charge on overdue interest on Trust Fund loans is levied at a rate equal to one half of the sum of the rate of interest on Trust Fund loans (i.e., 0.5 percent) and the rate of interest on the SDR. This rate fluctuated between 4.22 percent and 4.91 percent and averaged 4.58 percent during financial year 1990. Overdue repayments of Trust Fund loans are subject to special charge at a rate equal to one half of the sum of the rate of interest on Trust Fund loans and the SDR interest rate, less one half percent. During FY 1990, this rate ranged from 3.72 percent to 4.41 percent and averaged 4.08 percent. The rates applicable to the Trust Fund also apply to overdue SAF obligations. The first repayments of SAF loans will not fall due until February 1992. There have been no overdue obligations with respect to ESAF Trust interest payments.

Total receipts of special charges by the Fund since the introduction of the system have been SDR 15.4 million. As of April 30, 1990, only the 10 members that have been declared ineligible to use the general resources of the Fund had overdue special charges, for a total amount of SDR 123.2 million. About 86 percent of the outstanding special charges were due from four members (Liberia, Peru, Sudan, and Zambia).

The system of special charges has thus far recovered only a relatively small fraction of the direct financial costs to the Fund resulting from overdue obligations of members. However, these costs will be recovered as those obligations, including overdue special charges,



are settled. <sup>1/</sup> In this connection, it should be noted that implementation of the collaborative approach will, if successful, lead to the resolution of at least some of the cases of protracted arrears. This approach has already, in some cases, resulted in increased collections of special charges. Furthermore, the system has a useful, if limited, deterrent effect and the system of special charges is generally considered to play a positive role in the Fund's overall policies for dealing with the problem of overdue obligations. No changes in the system are suggested at this time.

(ii) SDR interest rate

The SDR interest rate has been set at 100 percent of the combined market interest rate since May 1981, when the Fund simplified the rate structure on the use of Fund credit. The SDR interest rate has remained at 100 percent of the combined market interest rate and has continued to serve as a reference rate to determine other rates in the Fund (i.e., rate of charge, rate of remuneration, special charges, interest on SDR holdings and allocations). The interest on holdings of SDRs has to be reviewed annually at the conclusion of the Fund's financial year. This method continues to function appropriately and no modification is proposed. A separate paper is under preparation to provide the basis for the five-yearly review of the valuation of the SDR basket later this year.

VII. Summary and Conclusions

1. Net income for FY 1990 amounted to SDR 116 million, exceeding the target net income for that year of SDR 86 million by SDR 30 million. Income in excess of target resulted from: (i) a higher SDR interest rate and other market related rates for the year than projected at the beginning of the year; (ii) the settlement of deferred special charges on overdue obligations, and (iii) lower than projected administrative expenses in terms of SDR.

2. It is recommended that net income corresponding to the target amount for FY 1990 of SDR 86 million be added to the Fund's Special Reserves. Net income in excess of the target amount can be used in any of the following ways: (i) to retroactively reduce the rate of charge on ordinary resources for FY 1990, (ii) to increase the Fund's Reserves or the SCA, (iii) to reduce the target for FY 1991 through the "deeming" mechanism. In view of the fact that the agreed amount of net income has been achieved and that understandings have been reached on procedures to increase the Fund's precautionary balances by SDR 1 billion over the next five years, the staff proposes for consideration by the Executive

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<sup>1/</sup> In the meanwhile, these costs have been covered as part of the Fund's administrative expenses.

Board that the basic rate of charge for FY 1990 be reduced to the extent made possible by the amount of net income in excess of the target.

3. In order to avoid sharp changes in the basic rate of charge, that rate for FY 1990 was set as a proportion of the SDR interest rate. This method has achieved the intended objective of smoother adjustments in the rate of charge necessary to achieve target income and has protected the Fund from a possible shortfall from the target amount of net income. It is recommended that the basic rate of charge continue to be set as a proportion of the SDR interest rate.

4. Unless the Executive Board decide otherwise, with a majority of 70 percent of the voting power, the adjusted rate of charge in effect at the end of FY 1991 (9.78 percent) will become the basic rate of charge for FY 1991. On present projections, the rate that would be necessary to achieve a target net income of 5 percent of reserves at the beginning of the year, or SDR 70 million, is 91.3 percent of current SDR interest rate of about 9.0 percent.

5. The system of special charges is intended broadly to recover from members in arrears the financial costs of overdue obligations. Although only a part of special charges have been collected, the system is judged to have a useful, if limited, deterrent effect and thus play a positive role in the Fund's policies to deal with overdue obligations. No changes are proposed to it.

6. The SDR interest rate has been equal to the combined market interest rate defined in Rule T-1 since May 1981. No change is proposed in the method of setting the SDR interest rate, which will be reviewed later this year in the context of the five-yearly review of the valuation of the SDR.

7. In the light of the above, the following decisions are proposed for adoption by the Executive Board: 1/

I. Retroactive Reduction of the Rate of Charge  
on the Use of Ordinary Resources for FY 1990

An amount of SDR [30,493,488] shall be used to reduce retroactively for financial year 1990 the rate of charge referred to in Rule I-6(4), determined in accordance with the provisions of Decision No. 9186-(89/74), adopted June 14, 1989.

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1/ As mentioned, the actual results are still subject to final review. Any change in the exact number would be indicated at the time of the Executive Board meeting when the matter is considered.

II. Disposition of Net Income for FY 1990

The Fund's net income for financial year 1990 of SDR [85,509,726] shall be placed to the Special Reserve.

III. Net Income Target for FY 1991

In accordance with Rule I-6(4)(a) the target amount of net income for financial year 1991 shall be 5 percent of the Fund's reserves at the beginning of the year.

IV. Rate of Charge on the Use of Ordinary Resources in FY 1991

1. During financial year 1991, and notwithstanding Rule I-6(4), the rate of charge referred to in Rule I-6(4) shall be a proportion of the SDR interest rate under Rule T-1.

2. Effective May 1, 1990, the proportion shall be 91.3 percent.

3. In accordance with Section IV, paragraph 3 of Decision No. 9410-(90/62), adopted April 20, 1990, a midyear review of the Fund's income position shall be held shortly after October 31, 1990. At that time, the proportion of the SDR interest rate shall be reviewed on the basis of (i) the then prevailing SDR interest rate, and (ii) the revised estimated income and expense of the Fund during the year and the target amount of net income for the year. If after any adjustments under Section IV, paragraph 2 of Decision No. 9410-(90/62), actual net income for the first six months of the financial year, on an annual basis, is below the target amount for the year by an amount equal to, or greater than, two percent of the Fund's reserves at the beginning of the financial year, the Executive Board will consider how to deal with the situation. If by December 15 no agreement has been reached as a result of this consideration, the proportion of the SDR interest rate shall be increased as of November 1 to the level necessary to reach the target amount of net income for the year.

4. When estimating income, no deduction shall be made for projected deferred income.

5. The Executive Board shall be notified, shortly after the end of each quarter, of the average rate of charge for the quarter.

V. Special Charges on Overdue Financial Obligations to the Fund - Review of Decision

The Fund has reviewed Decision No. 8165-(85/189) G/TR, adopted December 30, 1985, as amended.

VI. SDR Interest Rate

Pursuant to Rule T-1(d), the Executive Board has reviewed the rate of interest on holdings of SDRs.

Table 1. Factors Underlying the Actual Results for FY 1990  
and Revised Projections for FY 1991

(In millions of SDRS)

	Actual FY 1990	Revised Projections FY 1991
<hr/>		
Ordinary Resources:		
1. Purchases		
Unremunerated reserve tranche	39	250
Credit tranches	2,264	5,658
CFF and ECM	<u>808</u>	<u>1,378</u>
Total	3,111	7,286
2. Repurchases	3,366	3,099
3. Average balances subject to charges	14,966	16,337
4. Average SDR holdings	1,018	1,000
5. Average remunerated positions	15,998	17,355
Borrowed Resources:		
1. SFF:		
Repayments of borrowing	516	124
Repurchases	651	177
Average balances subject to charges	746	349
2. Enlarged Access		
Purchases	1,368	2,892
Repayments of borrowing	2,603	1,050
Repurchases	2,026	1,722
Average balances subject to charges	7,180	7,625
Interest Rates (percent):		
1. Average SDR interest rate	8.66	9.00
2. Average rate of remuneration		
Unadjusted rate	8.66	9.00
Rate adjusted for burden sharing	7.72	
3. Average rate of charge		
Basic rate	8.34	--
Rate adjusted for burden sharing	9.34	--
4. Average SFF rate of charge	8.56	8.83
5. Average EAR rate of charge	8.33	8.99

Table 2. Potential Deferred Charges in FY 1991 <sup>1/</sup>

(In millions of SDRs)

	Balance April 30, 1990	<u>Potential Deferred Charges Quarter Ending 1/</u>				Total FY 1991	Potential Deferred Charges April 30, 1991
		July 31, 1990	Oct. 31, 1990	Jan. 31, 1991	Apr. 30, 1991		
<b>Members presently overdue six months or more:</b>							
Guyana	27.6	1.6	1.6	1.6	1.6	6.5	34.1
Honduras	3.4	0.5	0.5	0.5	0.5	2.1	5.5
Kampuchea, Democratic	10.9	0.2	0.2	0.2	0.2	0.7	11.6
Liberia	83.4	4.5	4.6	4.5	4.4	18.0	101.4
Panama	52.3	5.4	5.4	5.4	5.2	21.4	73.7
Peru	169.8	13.3	13.4	13.3	12.8	52.8	222.6
Sierra Leone	15.0	1.3	1.3	1.3	1.2	5.1	20.1
Somalia	23.2	2.2	2.2	2.2	2.1	8.8	32.0
Sudan	227.8	13.8	13.8	13.8	13.3	54.7	282.5
Viet Nam	13.1	0.7	0.7	0.7	0.7	2.7	15.8
Zambia	207.9	15.4	15.5	15.4	14.8	61.2	269.1
Sub-totals	834.4 <sup>2/</sup>	59.0	59.2	58.8	56.8	233.8	1,068.2
<b>Members presently overdue less than six months:</b>							
Dominican Republic	--	--	5.5	1.7	1.7	8.9	8.9
Guatemala	--	--	3.9	1.3	1.2	6.3	6.3
Haiti	--	--	--	2.0	0.5	2.5	2.5
Totals	834.4 <sup>2/</sup>	59.0	68.6	63.8	60.2	251.5	1,085.9

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

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

Table 3. Factors Relevant in Judging Adequacy  
of Precautionary Balances

(In millions of SDRs and percent)

End of Financial Year	Reserves	Special Contingent Account	Total Pre- cautionary Balances	Credit Outstanding					As a Percentage of Precautionary Balances			
				Total	Total		Overdue Repurchases		Credit Outstanding		Overdue Repurchases	
					to Members Six Months Overdue	to Members Three Years Overdue	Repurchases Six Months Overdue	Repurchases Three Years Overdue	to Members Six Months Overdue	to Members Three Years Overdue	Repurchases Six Months Overdue	Repurchases Three Years Overdue
1985	1,043.9	--	1,043.9	34,973	724.2	18.7	64.2	18.7	69.4	1.8	6.1	1.8
1986	1,122.1	--	1,122.1	34,640	1,040.2	18.7	218.2	18.7	92.7	1.7	19.4	1.7
1987	1,208.1	26.5	1,234.6	31,646	2,318.2	118.8	572.2	26.6	187.8	9.6	46.3	2.2
1988	1,257.2	87.0	1,344.2	27,829	2,366.2	929.5	1,113.8	121.4	176.0	69.1	82.9	9.0
1989	1,311.5	149.8	1,461.3	23,700	3,073.2	929.5	1,698.0	348.0	210.3	63.6	116.2	23.8
1990 <sup>1/</sup>	1,427.5	214.8	1,642.3	22,098	2,568.9	2,216.0	2,009.2	828.0	156.4	134.9	122.2	37.4

<sup>1/</sup> Assuming the total net income for FY 1990 of SDR 116 million is placed to reserves.

Table 4. Special Charges on Overdue Obligations: Rate of Charge,  
Amounts Billed and Amounts Collected in FY 1990

	FY 1989	Quarters Ending				FY 1990
		July 31	October 31	January 31	April 30	

(In percent)

Special charges rate applicable to:

General Resources Account

Overdue repurchases	0.62	0.30	0.31	0.33	0.34	0.32
Overdue charges	7.06	8.17	8.35	8.95	9.16	8.66

Trust Fund and SAF loans

Overdue repayments	3.28	3.84	3.93	4.23	4.33	4.08
Overdue interest	3.78	4.34	4.43	4.73	4.83	4.58

(In millions of SDRs)

Amounts billed and collected: 1/

Total amount billed	54.6	15.5	17.2	18.8	19.7	71.2
Total payments collected	1.4	1.3	0.9	4.6	4.9	11.7

1/ Total amounts billed and collected, including special charges in Trust Fund and Special Disbursement Account.



