

DOCUMENT OF INTERNATIONAL MONETARY FUND
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AGENDA

EBS/89/85

CONFIDENTIAL

April 27, 1989

To: Members of the Executive Board

From: The Secretary

Subject: Guyana - Overdue Financial Obligations to the Fund -
Further Review Following Declaration of Ineligibility;
and Real Effective Exchange Rate - Information Notice

The attached paper, which also describes recent developments in the real effective exchange rate of the Guyana dollar, is scheduled for consideration by the Executive Directors tomorrow Friday, April 28, 1989. A draft decision appears on pages 9 and 10.

Mr. Blalock (ext. 8341) or Mr. Blackwell (ext. 7810) is available to answer technical or factual questions relating to this paper prior to the Board discussion.

Att: (1)

INTERNATIONAL MONETARY FUND

Guyana - Overdue Financial Obligations to the Fund -
Further Review Following Declaration of Ineligibility;
and Real Effective Exchange Rate - Information Notice

Prepared by the Treasurer's, Western Hemisphere, Legal,
and Exchange and Trade Relations Departments

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April 27, 1989

1. On April 28, 1989, the Executive Board is scheduled to conduct the eighth review of Guyana's overdue financial obligations to the Fund following the declaration of Guyana's ineligibility to use the general resources of the Fund effective May 15, 1985. In the decision adopted at the last post-ineligibility review, on October 26, 1988, 1/ the Fund expressed deep regret at Guyana's continuing failure to settle its overdue financial obligations, urged Guyana to settle these obligations promptly and fully, and stressed that their settlement should be given the highest priority. The Fund welcomed the authorities' intention to implement a comprehensive adjustment program and urged them to take the necessary actions to implement this program as a matter of urgency. It was decided to review Guyana's overdue financial obligations again at the time of the 1988 Article IV consultation with Guyana or within four months, whichever was earlier. 2/

2. Guyana's arrears to the Fund totaled SDR 84.6 million at the time of the last review on October 26, 1988. Since then Guyana has paid SDR 0.5 million to the Fund, and further obligations of SDR 8.0 million have become overdue. As of April 21, 1989, Guyana's overdue financial obligations to the Fund amounted to SDR 92.1 million, as shown in Attachment II. Guyana's estimated forthcoming financial obligations to the Fund are shown in Attachment III. Guyana's overdue and forthcoming obligations to the Fund through 1993 (including repurchases, GRA charges, net SDR charges, and Trust Fund loan repayments and interest, but excluding special charges) amount to an estimated SDR 111.9 million. Deferred income resulting from overdue charges of Guyana, which is subject to burden sharing, totaled SDR 15.3 million as of March 31, 1989. Guyana's arrears to the Fund of SDR 92.1 million are equal to 187.2 percent of quota and 105.7 percent of Fund credit outstanding to Guyana (including Trust Fund loans). Table 1 below

1/ See Attachment I.

2/ Paragraph 4 of Decision No. 9011-(88/160) was subsequently amended to extend the review period to not later than the end of April 1989.

provides information on various factors relevant to Guyana's recent payments position vis-a-vis the Fund.

Guyana's external public debt outstanding (including arrears) was close to US\$1.8 billion at end-1988 or some 830 percent of recorded merchandise exports (Table 2). Scheduled debt service obligations (including repurchases from the Fund) are estimated at US\$217 million in 1988 or 104 percent of exports, and debt service payments actually

Table 1. Guyana: Payments Indicators

| | 1987 | Prel. 1988 |
|---|------------------------------|---------------|
| <hr/> | | |
| | <u>(In millions of SDRs)</u> | |
| 1. Payments to the Fund | | |
| a. Obligations falling due to the Fund | 22.5 | 16.8 |
| b. Payments made to the Fund | 1.7 | 1.0 |
| c. Arrears to the Fund <u>1/</u> | 70.7 | 86.6 |
| 2. Sources of foreign exchange | | |
| a. Exports <u>2/</u> | 186.0 | 159.7 |
| b. Total current account receipts <u>3/</u> | 234.7 | 210.7 |
| c. Foreign exchange surrendered <u>4/</u> | 72.3 | 72.7 |
| 3. Uses of foreign exchange | | |
| a. Imports | 202.5 | 160.4 |
| b. Debt service payments due <u>5/</u> | 180.0 | 161.6 |
| c. Debt service payments made <u>6/</u> | 24.5 | 23.7 |
| d. Total foreign exchange expenditures <u>7/</u> | 227.1 | 184.2 |
| 4. Gross international reserves <u>1/</u> | 6.3 | 3.1 |
| 5. Total external debt arrears <u>1/</u> | 724.6 | 847.7 |
| 6. Obligations falling due to the Fund, as a percent of: | <u>(In percent)</u> | |
| a. Exports <u>2/</u> | 12.1 | 10.5 |
| b. Total Current account receipts <u>3/</u> | 9.6 | 8.0 |
| c. Imports | 11.1 | 10.5 |
| d. Debt service payments due <u>5/</u> | 12.5 | 10.4 |
| e. Debt service payments made <u>6/</u> | 91.8 | 70.9 |
| f. Total foreign exchange expenditures <u>7/</u> | 9.9 | 9.1 |
| g. Gross international reserves <u>1/</u> | 357.1 | 541.9 |

Table 1. Guyana: Payments Indicators (concluded)

| | 1987 | Prel. 1988 |
|---|--------|---------------|
| 7. Payments made to the Fund, as a percent of: | | |
| a. Exports <u>2/</u> | 0.9 | 0.6 |
| b. Total Current account receipts <u>3/</u> | 0.7 | 0.5 |
| c. Imports | 0.8 | 0.6 |
| d. Debt service payments due <u>5/</u> | 0.9 | 0.6 |
| e. Debt service payments made <u>6/</u> | 6.9 | 4.2 |
| f. Total foreign exchange expenditures <u>7/</u> | 0.7 | 0.5 |
| g. Gross international reserves <u>1/</u> | 27.0 | 32.3 |
| h. Obligations falling due to the Fund | 7.6 | 6.0 |
| 8. Arrears to the Fund, <u>1/</u> as a percent of: | | |
| a. Exports <u>2/</u> | 38.0 | 54.2 |
| b. Total Current account receipts <u>3/</u> | 30.1 | 41.1 |
| c. Imports | 34.9 | 54.0 |
| d. Debt service payments due <u>5/</u> | 39.3 | 53.6 |
| e. Debt service payments made <u>6/</u> | 288.6 | 365.4 |
| f. Total foreign exchange expenditures <u>7/</u> | 31.1 | 47.0 |
| g. Gross international reserves <u>1/</u> | 1122.2 | 2793.5 |
| h. Total external debt arrears <u>1/</u> | 9.8 | 10.2 |

1/ End of period.

2/ Includes re-exports.

3/ Includes private and official transfers.

4/ Consisting of actual foreign exchange receipts of the Bank of Guyana; excludes foreign exchange earnings retained by exporters under the foreign exchange retention scheme. Under this scheme, exporters are entitled to retention quotas ranging from 15 to 100 percent.

5/ Includes scheduled payments on medium- and long-term debt, payments due to the Fund, and scheduled interest payments on short-term debt.

6/ Includes actual payments on medium- and long-term debt, payments made to the Fund, and actual interest payments on short-term debt.

7/ Imports and actual debt service payments made.

Table 2. Guyana: External Public Debt Outstanding as of End-1988

(In millions of U.S. Dollars)

| | Amount | Relative Share (percent) |
|------------------------------|---------------|-----------------------------|
| Total | <u>1777.9</u> | <u>100.0</u> |
| Use of Fund credit <u>1/</u> | <u>134.6</u> | <u>6.5</u> |
| Other multilateral | <u>397.1</u> | <u>22.4</u> |
| IBRD, IDA | 139.5 | 7.8 |
| CDB | 51.1 | 2.9 |
| IDB | 159.3 | 9.0 |
| EEC, EIB, EDF | 23.6 | 1.3 |
| IFAD | 0.5 | 0.0 |
| OPEC Fund | 23.1 | 1.3 |
| Bilateral | <u>889.9</u> | <u>50.1</u> |
| Trinidad and Tobago | 445.1 | 25.0 |
| Barbados | 88.5 | 5.0 |
| Other Caricom | 14.0 | 0.8 |
| Libya | 25.4 | 1.4 |
| United Kingdom | 64.9 | 3.6 |
| United States | 80.6 | 4.5 |
| Venezuela | 40.3 | 2.3 |
| Brazil | 22.7 | 1.3 |
| Kuwait | 18.4 | 1.0 |
| Canada | 34.1 | 1.9 |
| Netherlands | 5.6 | 0.3 |
| United Arab Emirates | 4.1 | 0.2 |
| Argentina | 5.5 | 0.3 |
| Other | 40.7 | 2.3 |
| Suppliers <u>2/</u> | <u>85.2</u> | <u>4.8</u> |
| Banks | <u>141.7</u> | <u>8.0</u> |
| Bonds | <u>9.3</u> | <u>0.5</u> |
| Nationalization | <u>39.1</u> | <u>2.2</u> |
| Commercial arrears | <u>81.0</u> | <u>4.6</u> |

Sources: IBRD Debt Report System, Guyanese authorities, and Fund staff estimates.

1/ Includes Trust Fund loans.

2/ Includes non-government guaranteed suppliers' credits.

Table 3. Guyana: Debt Service Payments Made, 1987-88

(In millions of U.S. dollars)

| | 1987 | Prel. 1988 |
|-----------------|-------------|---------------|
| Total | <u>31.7</u> | <u>31.9</u> |
| Multilateral | <u>9.7</u> | <u>11.5</u> |
| IDB | 7.1 | 9.1 |
| IDA | 0.6 | 0.4 |
| IMF | 1.4 | 1.1 |
| EEC, EIB, EDF | 0.6 | 0.9 |
| Bilateral | <u>5.8</u> | <u>3.0</u> |
| Venezuela | 2.7 | 2.0 |
| United States | 0.4 | 0.3 |
| Argentina | 0.0 | 0.3 |
| Brazil | 0.2 | 0.2 |
| Barbados | 0.0 | 0.2 |
| United Kingdom | 0.2 | 0.0 |
| Other <u>1/</u> | 2.3 | 0.0 |
| Suppliers | <u>4.6</u> | <u>10.2</u> |
| Banks <u>2/</u> | <u>7.3</u> | <u>6.7</u> |
| Nationalization | <u>4.3</u> | <u>0.5</u> |
| Canada | 3.0 | 0.5 |
| United States | 1.3 | 0.0 |

Sources: Guyanese authorities and Fund staff estimates.

1/ Centrally planned economies.

2/ Syndications of commercial banks.

made at US\$32 million or about 15 percent of exports (Table 3). Of this amount, US\$9.1 million are estimated to have been paid to the Inter-American Development Bank, US\$6.7 million to private commercial banks, and US\$10.2 million to suppliers. Guyana is in arrears to the World Bank (US\$39.0 million as of March 31, 1989) which suspended disbursements in August 1986.

3. Following the last review of Guyana's overdue financial obligations to the Fund, the authorities and the staff proceeded with discussions on an economic program for 1989 that could serve as a basis for a Fund-monitored program and eventually for a program supported by the use of Fund resources once the arrears to the Fund have been settled. The discussions on this program, which gives operational content to the policy framework paper discussed by the Board in July 1988 (EBD/88/170), were concluded in late February 1989 and on March 31, 1989 the authorities started to implement it. At that time the authorities announced the 1989 budget--which seeks to limit the deficit of the non-financial public sector to an amount compatible with the availability of external financing--and introduced other policy measures, including a major devaluation of the Guyana dollar in the official market, the adjustment of controlled prices, and an increase in interest rates.

Prior to the exchange rate devaluation, the standard index developed in connection with the information notice system (see table and chart in Attachment IV) indicated that, as of February 1989 (the most recent month for which calculations are available), the Guyana dollar had appreciated by 15.8 percent in real effective terms since the last occasion on which Guyana's exchange rate developments were brought to the attention of the Executive Board (the discussion of the policy framework paper in July 1988). Measured from February 1987, the month following the most recent previous adjustment of the exchange rate, the Guyana dollar was estimated to have appreciated in real effective terms by 67 percent. Staff estimates indicate that the devaluation of early April corresponded to a depreciation of around 70 percent in real effective terms. Recent economic developments in Guyana as well as the 1989 economic program are described in the staff report for the 1989 Article IV consultation and Fund-monitored program for 1989 (EBS/89/73). 1/

Major objectives of the economic program are to set the basis for a resumption of sustained economic growth in Guyana and to normalize Guyana's relations with external creditors. In this latter regard, the authorities intend to meet financial obligations falling due to the Fund from April 1, 1989 onwards so as to keep arrears to the institution from rising above the level outstanding on March 31, 1989. 2/

1/ No separate information notice on the real effective exchange rate is thus being issued at this time. Recent economic developments also are discussed in SM/89/70.

2/ No new obligations have fallen due in the period April 1-26, 1989.

They expect to settle Guyana's overdue obligations to the Fund toward the end of 1989 and to request, at that time, access to Fund resources under upper credit tranche stand-by and enhanced structural adjustment arrangements from the Fund.

In parallel with the above developments, and in the framework of the intensified collaborative approach to the problem of overdue obligations to the Fund, a Support Group for Guyana was established on November 8, 1988 under the chairmanship of Canada. The group is composed of Canada, France, Germany, Italy, the United States, Trinidad and Tobago, and Venezuela. Belgium, Netherlands, and Sweden have participated as observers in the meetings of the Support Group.

Building upon the efforts made by the Guyanese authorities in the summer of 1988 with the assistance of the Fund and the World Bank, the Support Group has been able to secure and/or identify US\$350 million in balance of payments assistance needed to finance the economic program for 1989-91 incorporated in the PFP and to facilitate the clearance of arrears to the Fund, the World Bank, and the CDB. The Support Group also assisted the authorities in obtaining rescheduling agreements on concessional terms from Trinidad and Tobago (Guyana's largest single creditor) and the Caribbean Trade Facility. These agreements will provide interest relief to Guyana on the order of US\$60 million during 1989-91.

The Support Group considered indications of financial support from the World Bank, the CDB, and the Fund, (to become available once overdue obligations to these institutions are settled), as critical in securing contributions from bilateral creditors, which in some cases were contingent on the contributions of others. The World Bank has indicated to the Support Group that once the arrears to the IBRD are settled, it would extend to Guyana a Structural Adjustment Credit from IDA of US\$65 million during 1989-91 with an initial disbursement of US\$35 million. The CDB also has indicated that following the settlement of arrears to the institution, it would provide to Guyana US\$30 million in balance of payments assistance during 1989-91 with an initial disbursement of US\$25 million.

As regards the Fund, the Managing Director intends to recommend Executive Board approval, at the request of Guyana, of an upper credit tranche stand-by arrangement and an ESAF arrangement of a total amount equivalent to SDR 115.6 million or 235 percent of quota over a three-year period, subject to the clearance by Guyana of its overdue financial obligations to the Fund, satisfactory performance under the Fund-monitored program, and agreement on the policies Guyana would pursue in the subsequent period. It is contemplated that the ESAF arrangement would be for 150 percent of quota and the stand-by arrangement for 85 percent of quota. To facilitate the early clearance of overdue obligations to the Fund, it is envisaged by management that the purchases available immediately upon approval of these subsequent arrangements would amount to SDR 61.5 million (125 percent of quota),

including 60 percent of quota under the ESAF arrangement and 65 percent of quota under the stand-by arrangement.

In addition to indicating access and phasing, the Support Group felt that it would be important for the Fund to provide assistance in two other ways. First, to facilitate the transfer of some balance of payments assistance, Guyana and the Support Group requested the establishment by the Fund of an administered account for Guyana. On April 5, 1989, the Executive Board authorized the Managing Director to establish such an account, which would serve as a depository for the coordinated clearance of overdue obligations to the Fund. Second, to facilitate an early rescheduling by the Paris Club on the basis of a Fund-monitored program, an assessment and monitoring by the Fund of Guyana's program would be needed.

4. The situation with respect to Guyana's overdue financial obligations to the Fund may be summarized as follows. Since the declaration of ineligibility in May 1985, Guyana has made payments to the Fund totaling SDR 4.9 million. Although this is a modest sum in relation to the amount of arrears outstanding, Guyana has cooperated actively in recent months in the context of the enhanced collaborative approach and has proceeded to implement the economic program for 1989, which the staff believes includes the main elements needed to initiate the restoration of sustained economic growth and also provides for normalization of relations with external creditors.

In the circumstances, the proposed decision warmly welcomes the active cooperation of the Guyanese authorities in working toward the adoption and implementation of a comprehensive set of structural reform and adjustment policies and, in particular, the measures implemented by Guyana in recent weeks. The decision goes on to welcome the authorities' intention to pursue a comprehensive adjustment program, with Fund monitoring, aimed at restoring growth and balance of payments viability over the medium term. The decision also expresses the Fund's intention to continue collaborating actively with Guyana under the intensified cooperative approach.

The proposed decision notes the payments made by Guyana since the last review. The decision regrets the continued existence of Guyana's arrears to the Fund, which place a financial burden upon other members and reduce Fund resources needed to help others; stresses that the full and prompt settlement of these arrears should be given the highest priority; and notes that efforts toward their settlement are underway. The decision also notes Guyana's intention under the Fund-monitored program to make payments equivalent to maturing obligations to the Fund as and when they fall due in the period until full settlement of Guyana's arrears is achieved.

In the recent Board paper on further consideration of modalities of the cooperative approach, 1/ it was proposed that for members that are actively cooperating with the Fund under the intensified collaborative approach, the Board's consideration and review of these members' overdue obligations occur in the context of the evolution of that approach and not necessarily be the subject of a separate Board meeting. A review of Guyana's performance under its Fund-monitored program is to take place not later than December 15, 1989. Therefore, it is suggested that the matter of Guyana's overdue financial obligations to the Fund be reviewed again at the time of the review of the Fund-monitored program but not later than December 15, 1989, on the understanding that the Board will be kept informed of developments with respect to Guyana and progress under the intensified collaborative approach, and that the review of overdue obligations will be held earlier if circumstances warrant.

The following draft decision, which could be adopted by a majority of the votes cast, is proposed for adoption by the Executive Board:

Draft Decision

1. The Fund has reviewed further the matter of Guyana's overdue financial obligations to the Fund in the light of the facts and developments described in EBS/89/85 (4/27/89).

2. The Fund warmly welcomes the active cooperation of the Guyanese authorities in working toward the adoption and implementation of the comprehensive set of structural reform and adjustment policies contained in the policy framework paper (EBD/88/170) and, in particular, the measures implemented by Guyana in recent weeks. The Fund also welcomes the authorities' intention to pursue a comprehensive adjustment program with Fund monitoring aimed at restoring economic growth and balance of payments viability. The Fund intends to continue to collaborate actively with Guyana under the intensified cooperative approach.

3. The Fund notes the payments made by Guyana since the last review. The Fund regrets the continued existence of Guyana's arrears to the Fund, which place a financial burden upon other members and reduce Fund resources needed to help others. It stresses that the full and prompt settlement of these arrears should be given the highest priority, and notes that efforts toward their settlement are underway. The Fund also notes Guyana's intention under its Fund-monitored program to make payments equivalent to maturing obligations

1/ "Overdue Financial Obligations to the Fund - Further Consideration of Modalities of the Cooperative Approach," EBS/89/10, 1/27/89, pp. 15-16.

to the Fund as and when they fall due in the period until full settlement of Guyana's arrears is achieved.

4. The Fund will review again the matter of Guyana's overdue financial obligations to the Fund at the time of the review of Guyana's Fund-monitored program or by December 15, 1989, whichever is earlier, in the light of actions taken by Guyana in the meantime regarding payments to the Fund and implementation of the Fund-monitored program.

Attachments

Guyana - Overdue Financial Obligations -
Further Review Following Declaration of Ineligibility

Executive Board Decision No. 9011-(88/160),
Adopted October 26, 1988 1/

1. The Fund has reviewed further the matter of Guyana's continuing failure to fulfill its financial obligations to the Fund in light of the facts and developments described in EBS/88/216 (10/21/88).
2. The Fund deeply regrets the continuing failure by Guyana to settle its arrears to the Fund, which are placing a financial burden upon members and reducing Fund resources needed to help others. The Fund notes that only modest payments have been received from Guyana since 1985. The Fund again urges Guyana to make prompt and full settlement of its overdue obligations to the Fund and stresses that settlement of these arrears should be given the highest priority.
3. The Fund welcomes the authorities' intention to implement a comprehensive program of macroeconomic and structural adjustment. The Fund urges the authorities to take the necessary actions to implement this program as a matter of urgency. The Fund hopes that the adjustment efforts on the part of Guyana will encourage renewed and expanded financing from Guyana's creditors and donors. In keeping with the guidance provided by the Interim Committee at its September 1988 meeting, the Fund stands ready to work with Guyana in an intensified collaborative approach to the resolution of Guyana's problems.
4. The Fund will review again the matter of Guyana's overdue financial obligations to the Fund at the time of the 1988 Article IV consultation with Guyana or no later than the end of April 1989, whichever is earlier.

1/ As amended.

Guyana - Overdue Financial Obligations to the Fund

(As of April 21, 1989)

| Type of Obligation | Date of Purchase or Loan | Due Date | SDR Amount |
|----------------------------------|--------------------------------|-------------|---------------|
| <u>General Resources Account</u> | | | |
| CF repurchase (bal.) | 7/31/78 | 5/31/83 | 187,500 |
| EF repurchase | 6/28/79 | 6/27/83 | 1,078,125 |
| CF repurchase | 1/17/80 | 7/15/83 | 781,250 |
| CB repurchase | 7/31/78 | 7/29/83 | 1,093,750 |
| CB repurchase | 1/17/80 | 10/14/83 | 781,250 |
| EF repurchase | 6/28/69 | 12/27/83 | 1,078,125 |
| CB repurchase | 1/17/80 | 1/16/84 | 781,250 |
| EF repurchase | 8/06/80 | 2/03/84 | 710,938 |
| CB repurchase | 1/17/80 | 4/16/84 | 781,250 |
| EF repurchase | 11/13/80 | 5/11/84 | 1,062,500 |
| EF repurchase | 6/28/79 | 6/27/84 | 1,078,125 |
| CB repurchase | 1/17/80 | 7/16/84 | 781,250 |
| EF repurchase | 8/06/80 | 8/03/84 | 710,938 |
| CB repurchase | 1/17/80 | 10/16/84 | 781,250 |
| EF repurchase | 11/13/80 | 11/09/84 | 1,062,500 |
| EF repurchase | 6/28/79 | 12/27/84 | 1,078,125 |
| EF repurchase | 7/15/81 | 1/14/85 | 1,006,250 |
| CB repurchase | 1/17/80 | 1/16/85 | 781,250 |
| EF repurchase | 8/06/80 | 2/05/85 | 710,938 |
| Quarterly charges (bal.) | -- | 2/06/85 | 761,920 |
| EF repurchase | 11/13/80 | 5/10/85 | 553,270 |
| EF repurchase | 11/13/80 | 5/10/85 | 1,062,500 |
| EF repurchase | 6/28/79 | 6/27/85 | 114,583 |
| EF repurchase | 6/28/80 | 6/27/85 | 1,078,125 |
| EF repurchase | 7/15/81 | 7/12/85 | 1,006,250 |
| Semiannual charges (bal.) | -- | 7/12/85 | 1,633,570 |
| EF repurchase | 8/06/80 | 8/02/85 | 1,078,125 |
| EF repurchase | 8/06/80 | 8/02/85 | 710,938 |
| Quarterly charges | -- | 8/06/85 | 740,349 |
| Quarterly charges | -- | 11/06/85 | 740,349 |
| EF repurchase | 11/13/80 | 11/08/85 | 708,333 |
| EF repurchase | 11/13/80 | 11/08/85 | 1,062,500 |
| EF repurchase | 6/28/79 | 12/27/85 | 114,583 |

| Type of Obligation | Date of Purchase or Loan | Due Date | SDR Amount |
|----------------------------|--------------------------------|-------------|---------------|
| EF repurchase | 6/28/79 | 12/27/85 | 1,078,125 |
| EF repurchase | 7/15/81 | 1/14/86 | 670,833 |
| EF repurchase | 7/15/81 | 1/14/86 | 1,006,250 |
| Semiannual charges | -- | 1/17/86 | 1,493,952 |
| EF repurchase | 8/06/80 | 2/05/86 | 1,078,125 |
| EF repurchase | 8/06/80 | 2/05/86 | 710,938 |
| Quarterly charges | -- | 2/06/86 | 740,349 |
| CB repurchase | 11/02/82 | 2/07/86 | 741,250 |
| CB repurchase | 11/10/82 | 5/09/86 | 741,250 |
| CB repurchase | 11/13/82 | 5/12/86 | 708,333 |
| EF repurchase | 11/13/80 | 5/12/86 | 1,062,500 |
| Quarterly charges | -- | 5/12/86 | 716,207 |
| Special charges GRA (bal.) | -- | 5/28/86 | 104,735 |
| EF repurchase | 6/28/79 | 6/27/86 | 114,583 |
| EF repurchase | 6/28/79 | 6/27/86 | 1,078,125 |
| EF repurchase | 7/15/81 | 7/14/86 | 1,006,250 |
| EF repurchase | 7/15/81 | 7/14/86 | 670,833 |
| Semiannual charges | -- | 7/18/86 | 1,211,121 |
| EF repurchase | 8/06/80 | 8/05/86 | 710,938 |
| EF repurchase | 8/06/80 | 8/05/86 | 1,078,125 |
| Quarterly charges | -- | 8/07/86 | 622,779 |
| CB repurchase | 11/10/82 | 8/08/86 | 741,250 |
| Special charges GRA | -- | 9/02/86 | 108,079 |
| Quarterly charges | -- | 11/06/86 | 698,412 |
| CB repurchase | 11/10/82 | 11/07/86 | 741,250 |
| EF repurchase | 11/13/80 | 11/12/86 | 708,333 |
| EF repurchase | 11/13/80 | 11/12/86 | 1,062,500 |
| Special charges GRA | -- | 11/20/86 | 128,602 |
| EF repurchase | 6/28/79 | 12/24/86 | 114,583 |
| EF repurchase | 7/15/81 | 1/14/87 | 670,833 |
| EF repurchase | 7/15/81 | 1/14/87 | 1,006,250 |
| Semiannual charges | -- | 1/16/87 | 1,081,048 |
| EF repurchase | 8/06/80 | 2/05/87 | 1,078,125 |
| EF repurchase | 8/06/80 | 2/05/87 | 710,938 |
| CB repurchase | 11/02/82 | 2/09/87 | 741,250 |
| Quarterly charges | -- | 2/13/87 | 696,394 |
| Special charges GRA | -- | 2/23/87 | 149,648 |
| CB repurchase | 11/10/82 | 5/08/87 | 741,250 |
| Quarterly charges | -- | 5/11/87 | 642,385 |

| Type of Obligation | Date of Purchase or Loan | Due Date | SDR Amount |
|-----------------------|--------------------------------|-------------|---------------|
| EF repurchase | 11/13/82 | 5/12/87 | 708,333 |
| EF repurchase | 11/13/80 | 5/12/87 | 1,062,500 |
| Special charges GRA | -- | 5/21/87 | 159,213 |
| EF repurchase | 6/28/79 | 6/26/87 | 114,583 |
| EF repurchase | 7/15/81 | 7/14/87 | 1,006,250 |
| EF repurchase | 7/15/81 | 7/14/87 | 670,833 |
| Semiannual charges | -- | 7/20/87 | 1,137,275 |
| Special charges GRA | -- | 7/21/87 | 18,165 |
| EF repurchase | 8/06/80 | 8/04/87 | 710,934 |
| EF repurchase | 8/06/80 | 8/04/87 | 1,078,125 |
| CB repurchase | 11/10/82 | 8/07/87 | 741,250 |
| Quarterly charges | -- | 8/17/87 | 632,471 |
| Special charges GRA | -- | 8/24/87 | 169,301 |
| CB repurchase | 11/10/82 | 11/09/87 | 741,250 |
| Quarterly charges | -- | 11/11/87 | 632,471 |
| EF repurchase | 11/13/80 | 11/12/87 | 1,062,500 |
| EF repurchase | 11/13/80 | 11/12/87 | 708,333 |
| Special charges GRA | -- | 11/20/87 | 224,421 |
| EF repurchase | 6/28/79 | 12/24/87 | 114,583 |
| EF repurchase | 7/15/81 | 1/14/88 | 670,833 |
| EF repurchase | 7/15/81 | 1/14/88 | 1,006,250 |
| Semiannual charges | -- | 1/15/88 | 1,343,808 |
| EF repurchase | 8/06/80 | 2/05/88 | 1,078,125 |
| Quarterly charges | -- | 2/12/88 | 644,568 |
| Special charges GRA | -- | 2/24/88 | 207,699 |
| Assessment | -- | 4/30/88 | 2,508 |
| EF repurchase | 11/13/80 | 5/12/88 | 708,333 |
| Quarterly charges | -- | 5/23/88 | 636,867 |
| EF repurchase | 6/28/79 | 6/27/88 | 114,583 |
| Special charges GRA | -- | 7/06/88 | 265,395 |
| EF repurchase | 7/15/81 | 7/14/88 | 670,833 |
| EF repurchase | 7/15/80 | 7/14/88 | 1,006,250 |
| Semiannual charges | -- | 7/14/88 | 1,270,027 |
| EF repurchase | 8/06/80 | 8/05/88 | 1,078,125 |
| Quarterly charges | -- | 8/18/88 | 674,171 |
| Special charges GRA | -- | 8/25/88 | 281,004 |
| EF repurchase | 11/13/80 | 11/12/88 | 708,333 |
| Quarterly charges | -- | 11/14/88 | 686,648 |
| Special charges GRA | -- | 11/21/88 | 423,038 |

| Type of Obligation | Date of Purchase or Loan | Due Date | SDR Amount |
|-----------------------|--------------------------------|-------------|-------------------|
| EF repurchase | 6/28/79 | 12/27/88 | 114,583 |
| Semiannual charges | -- | 1/13/89 | 1,377,566 |
| EF repurchase | 7/15/81 | 1/14/89 | 670,833 |
| EF repurchase | 8/06/80 | 2/05/89 | 1,078,125 |
| Quarterly charges | -- | 2/15/89 | 876,253 |
| Special charges GRA | -- | 2/22/89 | 373,044 |
| Subtotal | | | 86,489,624 |
| <u>Trust Fund</u> | | | |
| Repayment | 3/31/81 | 3/30/87 | 985,552 |
| Special charges TF | -- | 5/21/87 | 2,499 |
| Repayment | 2/11/81 | 8/10/87 | 140,000 |
| Special charges TF | -- | 8/24/87 | 6,462 |
| Repayment | 3/31/81 | 9/30/87 | 985,552 |
| Special charges TF | -- | 11/20/87 | 10,561 |
| Repayment | 2/11/81 | 2/10/88 | 140,000 |
| Special charges TF | -- | 2/24/88 | 13,971 |
| Repayment | 3/31/81 | 3/30/88 | 985,552 |
| Special charges TF | -- | 7/06/88 | 15,994 |
| Repayment | 2/11/81 | 8/10/88 | 140,000 |
| Special charges TF | -- | 8/25/88 | 22,038 |
| Repayment | 3/31/81 | 9/30/88 | 985,552 |
| Special charges TF | -- | 11/21/88 | 29,675 |
| Interest | -- | 1/03/89 | 25,108 |
| Repayment | 2/11/81 | 2/10/89 | 140,000 |
| Special charges TF | -- | 2/22/89 | 37,877 |
| Repayment | 3/31/81 | 3/30/89 | 985,552 |
| Subtotal | | | 5,651,945 |
| Total | | | <u>92,141,569</u> |

Guyana - Overdue and Forthcoming Financial Obligations
as of April 21, 1989

(In millions of SDRs)

| Type of Obligation | Outstanding as of April 21, 1989 | Forthcoming 1/ | | | | | Total Through 1993 3/ |
|---------------------------------------|--|----------------|-----------|-----------|-----------|-----------|-----------------------------|
| | | 1989 2/ | 1990 | 1991 | 1992 | 1993 | |
| Repurchases | 62.2 | 3.3 | 4.9 | 1.3 | -- | -- | 71.7 |
| Quarterly charges 4/ | 11.1 | 0.9 | 0.3 | 0.1 | -- | -- | 12.4 |
| Semiannual charges 4/ | 10.6 | 0.6 | --* | --* | -- | -- | 11.2 |
| Net SDR charges | -- | 0.6 | 0.8 | 0.8 | 0.8 | 0.8 | 3.8 |
| Trust Fund repayments and interest | 5.5 | 1.2 | 2.3 | 1.1 | -- | -- | 10.1 |
| Special charges | <u>2.8</u> | <u>--</u> | <u>--</u> | <u>--</u> | <u>--</u> | <u>--</u> | <u>2.8</u> |
| Total 3/ | 92.1 | 6.6 | 8.3 | 3.3 | 0.8 | 0.8 | 111.9 |

*Less than SDR 50,000.

1/ Estimated on the basis of present use of Fund credit, Trust Fund loans outstanding, and Guyana's present position in the SDR Department. Charges are projected on the basis of current rates of charge. Special charges are not projected.

2/ Due after April 21, 1989.

3/ Totals may not add due to rounding.

4/ Forthcoming charges estimated on the assumption that overdue obligations are paid promptly; to the extent that obligations remain overdue, these charges may be higher.

Table 1. Guyana: Real Effective Exchange Rate and Related Series

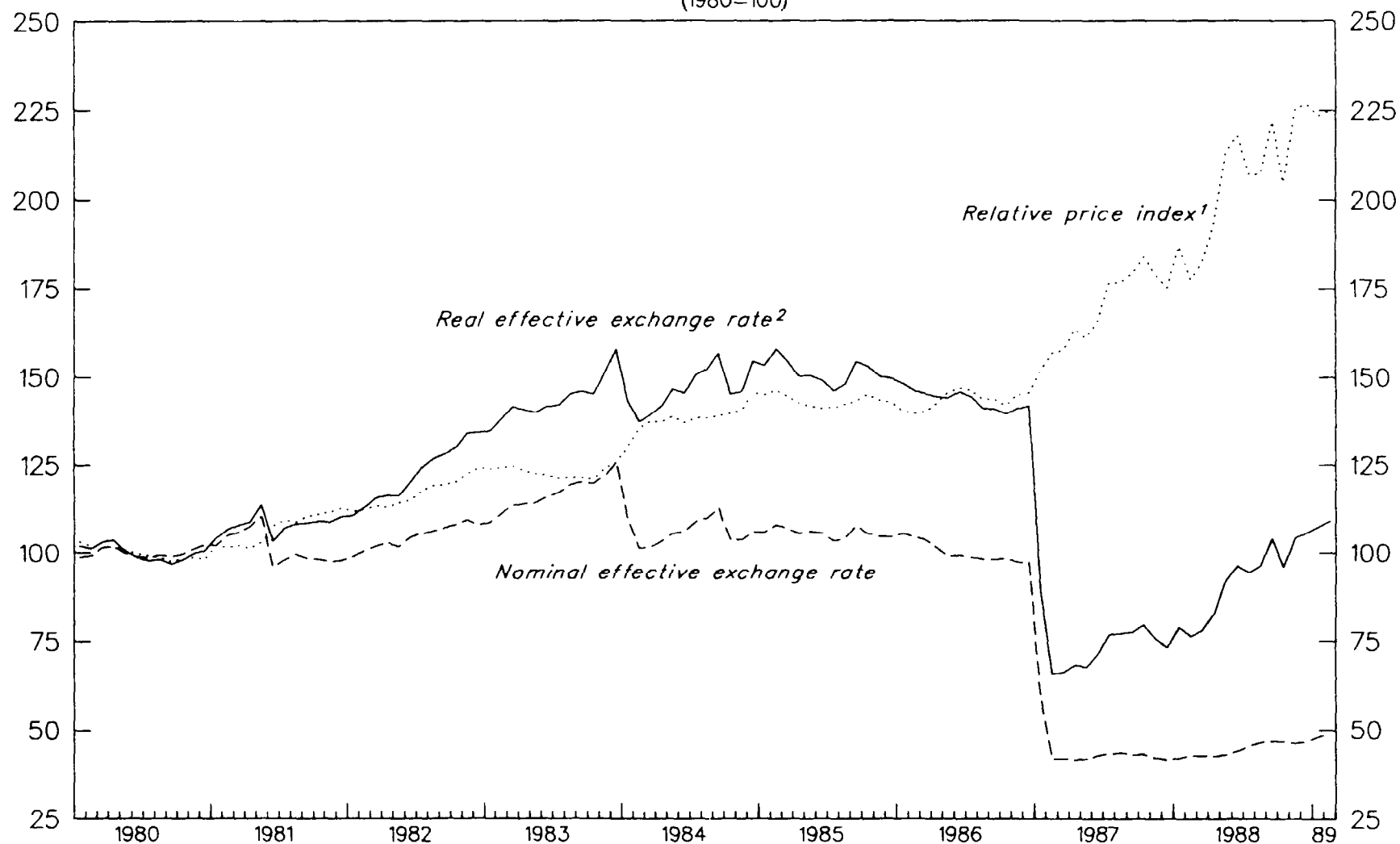
(Indices: 1980 = 100)

| | Real Effective Exchange Rate <u>1/</u> <u>2/</u> | Nominal Effective Exchange Rate <u>1/</u> | Relative Consumer Prices (Local Currencies) | Exchange Rate in Terms of U.S. Dollars <u>1/</u> | Consumer Price Index (Seasonally Adjusted) | Consumer Price Index (Not Seasonally Adjusted) |
|-------------------------|---|--|---|--|--|--|
| Quarterly | | | | | | |
| 1982 | | | | | | |
| II | 117.6 | 103.0 | 114.1 | 85.0 | 142.7 | 142.8 |
| III | 126.3 | 106.3 | 118.8 | 85.0 | 152.0 | 152.6 |
| IV | 132.9 | 108.6 | 122.4 | 85.0 | 159.5 | 158.4 |
| 1983 | | | | | | |
| I | 138.1 | 111.1 | 124.2 | 85.0 | 165.0 | 164.7 |
| II | 140.8 | 114.8 | 122.7 | 85.0 | 166.8 | 167.5 |
| III | 144.4 | 118.9 | 121.4 | 85.0 | 170.0 | 171.3 |
| IV | 151.5 | 122.5 | 123.6 | 85.0 | 177.9 | 176.0 |
| 1984 | | | | | | |
| I | 139.9 | 104.2 | 134.3 | 69.8 | 198.4 | 197.4 |
| II | 144.6 | 105.1 | 137.7 | 68.0 | 208.8 | 210.4 |
| III | 153.2 | 110.5 | 138.6 | 68.0 | 215.9 | 218.3 |
| IV | 148.5 | 104.6 | 142.0 | 61.4 | 227.5 | 224.4 |
| 1985 | | | | | | |
| I | 155.3 | 106.9 | 145.3 | 59.1 | 238.8 | 236.1 |
| II | 150.0 | 105.8 | 141.8 | 59.3 | 239.4 | 242.4 |
| III | 149.5 | 105.1 | 142.2 | 60.3 | 245.5 | 249.4 |
| IV | 151.1 | 105.0 | 143.9 | 61.4 | 254.6 | 250.6 |
| 1986 | | | | | | |
| I | 146.6 | 104.6 | 140.1 | 61.4 | 254.0 | 249.3 |
| II | 144.8 | 99.8 | 145.2 | 59.6 | 264.7 | 269.3 |
| III | 142.2 | 98.3 | 144.7 | 59.3 | 266.4 | 271.8 |
| IV | 140.9 | 97.6 | 144.3 | 58.5 | 269.5 | 265.0 |
| 1987 | | | | | | |
| I | 73.9 | 47.7 | 155.4 | 29.0 | 297.0 | 289.5 |
| II | 68.8 | 42.1 | 163.5 | 25.5 | 323.8 | 330.5 |
| III | 77.0 | 43.3 | 177.5 | 25.5 | 361.8 | 370.4 |
| IV | 75.9 | 42.3 | 179.4 | 25.5 | 374.7 | 368.4 |
| 1988 | | | | | | |
| I | 77.6 | 42.5 | 182.3 | 25.5 | 391.4 | 379.7 |
| II | 90.2 | 43.3 | 208.3 | 25.5 | 463.1 | 473.8 |
| III | 98.2 | 46.3 | 212.2 | 25.5 | 492.7 | 505.3 |
| IV | 102.0 | 46.6 | 219.1 | 25.5 | 535.0 | 524.6 |
| Monthly | | | | | | |
| 1988 | | | | | | |
| July <u>3/</u> | 94.3 | 45.5 | 207.2 | 25.5 | 473.1 | 487.6 |
| Aug. | 96.2 | 46.4 | 207.3 | 25.5 | 481.1 | 494.9 |
| Sept. | 104.3 | 46.9 | 222.1 | 25.5 | 523.8 | 533.5 |
| Oct. | 95.7 | 46.7 | 204.8 | 25.5 | 491.8 | 498.8 |
| Nov. | 104.4 | 46.3 | 225.7 | 25.5 | 550.8 | 538.5 |
| Dec. | 105.8 | 46.7 | 226.7 | 25.5 | 562.3 | 536.6 |
| 1989 | | | | | | |
| Jan. | 107.5 | 48.1 | 223.6 | 25.5 | 564.1 | 545.0 |
| Feb. | 109.1 | 48.5 | 224.8 | 25.5 | 573.4 | 553.0 |
| Percentage change | | | | | | |
| July 1988- Feb. 1989 | 15.8 | 6.7 | 8.5 | -- | 21.2 | |

Source: Information Notice System.

1/ Increases mean appreciation.2/ Using seasonally adjusted price indices.3/ Date of latest consideration by Executive Board.

CHART
GUYANA
INFORMATION NOTICE SYSTEM INDEX OF REAL EFFECTIVE EXCHANGE RATE
(1980=100)



Source: Information Notice System.

¹Seasonally adjusted.

²Trade-weighted index of nominal exchange rates deflated by seasonally adjusted relative consumer prices. Increases mean appreciation.

