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**IMMEDIATE
ATTENTION**

EBD/89/251

August 16, 1989

To: Members of the Executive Board

From: The Secretary

Subject: Guyana - Request for Technical Assistance

The Guyanese authorities have requested technical assistance in establishing a mechanism for the sterilization of excess liquidity in commercial banks and the use of market-related instruments of monetary control. This request follows up on the recommendations of a CBD mission in February 1989 that outlined an approach and measures consistent with the planned deregulation of the economy and in support of the Fund-monitored program. The recommendations to convert the excess reserves into medium-term debentures and to improve the treasury bill tendering mechanism were adopted as part of this program. The purpose of this mission is to advise on the operational arrangements for the implementation of these recommendations. We proposed to respond positively to this request by sending a mission comprising Mr. R. Barry Johnston (head) and Ms. Marjorie Rose, both from CBD, and Ms. Gillian Beaumont (secretary, ADM). A consultant will accompany the mission. The mission will visit Georgetown for about two weeks beginning September 3, 1989.

In the absence of a request for discussion by an Executive Director by noon on Monday, August 21, 1989, the proposed mission will be deemed to have been approved by the Executive Board and it will be so recorded in the minutes of the next meeting thereafter.

Other Distribution:
Department Heads

