

EBS/88/156

CONFIDENTIAL

August 3, 1988

To: Members of the Executive Board

From: The Acting Managing Director

Subject: Zaire - Overdue Financial Obligations to the Fund

This is to inform Executive Directors that Zaire is overdue in respect of the following obligations totaling SDR 47,254,788:

<u>Type of Obligation</u>	<u>Due Date</u>	<u>SDR Amount</u>
CF repurchase	June 29, 1988	14,312,500
EF repurchase	June 29, 1988	8,762,500
EF repurchase	June 29, 1988	750,756
Trust Fund interest	June 30, 1988	73,210
SAF interest	June 30, 1988	144,705
CT repurchase	July 1, 1988	694,602
CT repurchase	July 6, 1988	3,805,398
Semiannual charges EA	July 14, 1988	5,753,182
Trust Fund repayment	July 26, 1988	2,728,660
CT repurchase	July 28, 1988	5,000,000
CT repurchase	July 29, 1988	2,625,000
Trust Fund repayment	July 29, 1988	960,500
Trust Fund repayment	July 29, 1988	542,400
CT repurchase	July 31, 1988	1,101,375
Total		<u>47,254,788</u>

The overdue financial obligations to the Fund represent approximately 16 percent of Zaire's quota, 3 percent of its exports of goods and services, and 29 percent of its gross official foreign reserves at end-1987. The attached table provides information on forthcoming obligations to the Fund.

The authorities have been urged to settle the overdue obligations promptly. I do not propose that the Executive Board take any action at this time.

Att: (1)

ATTACHMENT

Zaire - Overdue and Forthcoming Financial Obligations
as of July 31, 1988

(In millions of SDRs)

Type of Obligation	Outstanding as of July 31, 1988	Forthcoming ^{1/}					Total Through 1993 ^{3/}	
		1988 ^{2/}	1989	1990	1991	1992		
Repurchases	37.1	78.3	155.4	136.4	78.5	26.7	8.6	520.9
Quarterly charges ^{4/}	0.0	9.8	16.5	8.6	3.0	0.4	0.0	38.3
Semiannual charges ^{4/}	5.8	0.0	8.9	6.6	4.1	1.9	1.0	28.2
Net SDR charges	0.0	2.5	5.0	5.0	5.0	5.0	5.0	27.6
Trust Fund repayments	4.2	4.8	12.6	3.4	0.4	0.0	0.0	25.5
Trust Fund interest	0.1	0.1	0.0	0.0	0.0	0.0	0.0	0.2
SAF repayments	0.0	0.0	0.0	0.0	0.0	5.8	11.6	17.5
SAF interest	<u>0.1</u>	<u>0.1</u>	<u>0.3</u>	<u>0.3</u>	<u>0.3</u>	<u>0.3</u>	<u>0.2</u>	<u>1.7</u>
Total ^{3/}	47.3	95.6	198.7	160.3	91.3	40.1	26.3	659.8

^{1/} Estimated on the basis of present use of Fund credit, Trust Fund loans outstanding, and Zaire's present position in the SDR Department. Charges are projected on the basis of current rates of charge.

^{2/} Due after July 31, 1988.

^{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, actual charges may be higher.