

DOCUMENT OF INTERNATIONAL MONETARY FUND
AND NOT FOR PUBLIC USE

**IMMEDIATE
ATTENTION**

EBS/86/270

CONFIDENTIAL

November 26, 1986

To: Members of the Executive Board
From: The Secretary
Subject: Mauritania - Rephasing of Purchases Under Stand-By Arrangement

It is not proposed to bring the attached memorandum to the agenda of the Executive Board for discussion unless an Executive Director so requests by noon on Wednesday, December 3, 1986. In the absence of such a request, the draft decision that appears on page 2 will be deemed approved by the Executive Board and it will be so recorded in the minutes of the next meeting thereafter.

Mr. Sacerdoti (ext. 8514) or Mr. Fassassi (ext. 8392) is available to answer technical or factual questions relating to this paper.

Att: (1)

INTERNATIONAL MONETARY FUND

MAURITANIA

Rephasing of Purchases under Stand-By Arrangement

Prepared by the African Department and the
Exchange and Trade Relations Department

In Consultation with the Legal Department
and the Treasurer's Department

Approved by G.E. Gondwe and S. Kanesa-Thanan

November 26, 1986

The Fund approved on April 21, 1986 a 12-month stand-by arrangement for Mauritania for an amount equivalent to SDR 12 million, or 35.4 percent of quota (EBS/86/70, Supplement 1). The phasing of purchases under the stand-by arrangement was based on the assumption that the lag in the reporting of data relating to performance criteria was about ten weeks. In the event, the authorities have been able to curtail substantially this lag. Thus, the data relating to the end-September 1986 performance criteria have become available already and they show that all performance criteria for end-September have been met. Despite this, because of the present phasings of purchases under the stand-by arrangement, Mauritania would have to wait until December 15 to effect the next purchase under the arrangement. Similarly, the purchase that would become available upon observance of the end-December 1986 performance criteria cannot be effected before March 15, 1987.

It is proposed that the phasing of the purchases under the stand-by arrangement be modified to reflect the shorter reporting lags by advancing by about two weeks the time limits established for the last two purchases under the stand-by arrangement. To reflect this change, paragraph 2 of the stand-by arrangement for Mauritania needs to be amended. The staff has been in touch with the Mauritanian authorities and they indicated their agreement with the proposed amendment.

Accordingly, the following draft decision is proposed for adoption by the Executive Board:

Modification of Stand-By Arrangement

Paragraph 2(a) of the stand-by arrangement for Mauritania (EBS/86/70 Supplement 1 of April 23, 1986), is hereby amended as follows:

- a. Replace "December 15, 1986" by "the effective date of Executive Board Decision No. ____";
- b. Replace "March 15, 1987" by "February 27, 1987".