

DOCUMENT OF INTERNATIONAL MONETARY FUND
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**IMMEDIATE
ATTENTION**

EBS/86/209

CONFIDENTIAL

September 4, 1986

To: Members of the Executive Board

From: The Secretary

Subject: Sudan - Settlement of Overdue Financial Obligations to the
Fund and Termination of Suspension of Right to Use SDRs

It is not proposed to bring the attached memorandum from the Managing Director to the agenda of the Executive Board for discussion unless an Executive Director so requests by the close of business on Friday, September 5, 1986. In the absence of such a request, the draft decision will be deemed approved by the Executive Board and it will be so recorded in the minutes of the next meeting thereafter.

Att: (1)

CONFIDENTIAL

September 4, 1986

To: Members of the Executive Board

From: The Managing Director

Subject: Sudan - Settlement of Overdue Financial Obligations to the
Fund and Termination of Suspension of Right to Use SDRs

On August 28, 1986, Sudan made a payment to the Fund equivalent to SDR 8.3 million, which reduced the member's arrears to the Fund to SDR 323.8 million as of September 3, 1986. The authorities have indicated their wish to attribute part of the payment to the full settlement of overdue obligations in the SDR Department, and they would like to attribute the remainder to the balance of SFF charges due July 12, 1985 and a portion of SFF charges for the year ended June 30, 1986. The settlement of the balance of 1985 SFF charges would entitle Sudan to a subsidy payment of SDR 4.3 million, which the authorities have agreed to use to discharge a further portion of 1986 SFF charges.

In light of the full settlement of Sudan's overdue financial obligations to the Fund in the SDR Department, I propose that the suspension of Sudan's right to use SDRs, as provided in Executive Board Decision No. 8253-(86/63) S, adopted April 16, 1986, be terminated. This would be accomplished by adoption of the proposed decision below, which provides in the circumstances of this case for termination of the suspension with effect on August 28, 1986, the date payment was made.

Proposed Decision

The Fund decides that the suspension of the right of Sudan to use SDRs, as provided in Executive Board Decision No. 8253-(86/63) S, adopted April 16, 1986, is terminated with effect on August 23, 1986.