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August 7, 1986

To: Members of the Executive Board

From: The Secretary

Subject: Recent Experience with Multilateral
Official Debt Restructuring

There is attached for the information of the Executive Directors a paper on recent experience with multilateral official debt restructuring. This is a background paper for Executive Directors' discussion of developments and prospects in international capital markets (SM/86/193, 8/5/86), scheduled for Wednesday, September 3, 1986.

Ms. Dillon (ext. 8313) or Mr. Oliveros (ext. 8316) is available to answer technical or factual questions relating to this paper prior to the Board discussion.

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INTERNATIONAL MONETARY FUND

Recent Experience with Multilateral Official Debt Restructuring

Prepared by the Exchange and Trade Relations Department

(In consultation with other departments)

Approved by C. David Finch

August 5, 1986

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I. Introduction

This paper describes developments in multilateral official debt renegotiations over the 18 months through June 1986. ^{1/} Recent trends are summarized in Section II, followed by a description of the framework for debt negotiations in Section III and a discussion of the terms and conditions of recent reschedulings in Section IV. Issues with regard to extended consolidation periods in connection with serial reschedulings recently agreed between official creditors and selected debtor countries are discussed in Section V. Section VI reviews the question of comparability of treatment among various creditor groups--official creditors, banks, and suppliers. A glossary of selected terms used in connection with official multilateral debt renegotiations is provided in the Annex. Appendix I presents tables detailing the recent experience with official multilateral reschedulings, and Appendix II contains descriptions of each of the rescheduling agreements concluded since end-1984.

II. Summary of Trends in Official Reschedulings

The most important development in recent multilateral debt renegotiations has been the increased attention paid by debtors and creditors to the impact of Paris Club reschedulings, and the terms of those reschedulings, on new credit flows to debtor countries. In order to facilitate the return to normal market access for countries that were considered to have made substantial progress in their adjustment efforts, official creditors have recently concluded multiyear rescheduling agreements (MYRAs) with both Ecuador and Côte d'Ivoire. Official creditors also indicated their willingness to grant an extended consolidation period for Yugoslavia, although in this case a further meeting would be necessary to agree on the terms for the second stage of the rescheduling.

The desire to facilitate the restoration of new credits has also led debtors and creditors to attach increased importance to the cutoff date ^{2/} in rescheduling agreements; in none of the 24 agreements concluded since May 1984 with countries that had previous reschedulings in recent years was the cutoff date changed. Export credit agencies and their authorities regard the fixing of a firm cutoff date as essential to the maintenance or resumption of new official export credits and cover, as it gives a measure of assurance that new loans will not be

^{1/} Official multilateral debt renegotiations that took place in previous years are described in the following staff papers: "Developing Countries Indebtedness to Official Creditors" (SM/85/62, 2/20/85 and Supplement 1); Part I of "External Debt Servicing Problems - Background Information" (SM/83/46, 3/9/83); and in "Survey of Official Multilateral Renegotiations, 1975-1980" (SM/80/274, 12/30/80).

^{2/} For a definition of this and other technical terms used in this paper, see the glossary provided in the Annex.

caught up in future reschedulings. Indeed, export credit authorities have expressed the view that one of the most important features of a MYRA is that it increases confidence that the cutoff date will be maintained.

Creditors have also, for the first time, indicated their willingness to consider excluding debts of the private sector from the rescheduling, if the debtor country so requests. Previously such an exclusion had been ruled out on grounds of intercreditor equity. This changed stance regarding private sector debt reflects in part the fact that many export credit agencies will maintain cover for private sector buyers, even when public sector debt has been rescheduled, provided private sector debt continues to be serviced on a current basis. The Paris Club also continued its long-standing practice of excluding service on short-term debt from reschedulings in order to maintain the debtor's access to normal short-term trade financing; arrears on short-term debt, however, have been rescheduled in certain cases where the debtor's situation was exceptionally difficult and such arrears were large.

Apart from this increased focus on restoring the flow of new credits, recent trends in official reschedulings were primarily an extension and intensification of developments that had already been identified in Developing Countries' Indebtedness to Official Creditors (SM/85/62, 2/20/85). The number of reschedulings and amounts rescheduled have continued to increase, reaching record levels in 1985 when official creditors concluded 21 agreements with Fund member countries, providing US\$18 billion in debt relief. The number of countries seeking repeat reschedulings also continued to rise. In such cases creditors appear to have become less willing to reschedule obligations due under previous consolidations. On the other hand, when a debtor's financial situation necessitated the rescheduling of service on previously rescheduled debt, creditors were more likely than in the past to reschedule such amounts on the same terms as those applying to other obligations.

The tendency toward increased differentiation in terms according to the circumstances of the debtor country, already apparent in 1983-84, has also been carried further during the last 18 months. Indeed, the rescheduling agreements concluded during this recent period tend to fall fairly clearly into two very different groups. In six agreements the debt relief granted was quite limited, with interest being excluded from the rescheduling and the rescheduling percentage for principal averaging well below 100 percent. These agreements covered countries which were generally considered to have, or be returning to, more normal access to new officially supported export credits and cover. The debt relief provided in other agreements was much more comprehensive, with the effective relief averaging 96 percent of total principal and interest on the debts covered by the agreement. The maturities and grace periods granted to the first group of countries were also somewhat shorter than those granted under other agreements.

While the differentiation between countries in different circumstances increased in the more recent period, the earlier tendency to apply much stricter terms to the rescheduling of arrears than to current maturities was reversed somewhat. This does not, however, reflect a change in creditors' view that stricter terms should apply to arrears in order to encourage timely adjustment efforts by countries incurring arrears. Rather it reflects the fact that during this period a number of agreements were concluded with countries in very difficult circumstances for which stricter terms on arrears could not realistically have been expected to be met.

Questions regarding comparability of treatment among various creditor groups have also acquired increased importance. Paris Club creditors and banks have for several years each followed carefully the efforts of the other, through either rescheduling or new money, in support of countries' adjustment efforts and each sought to ensure comparable action by the other. In practice, however, Paris Club creditors have not sought strict comparability on a case-by-case basis when the debt service due to one creditor group was relatively small. This approach has been reflected in the greater efforts made by official creditors for certain African countries and in their expectation that banks might similarly make a more-than-comparable effort where bank debt clearly predominates. Also, in cases where countries are undertaking adjustment efforts considered likely to restore their commercial creditworthiness, it has been recognized that export credit authorities' increased willingness to respond in a timely manner is likely to result in new export credit flows. While export credit agencies can neither project the demand for export credits and cover nor target new flows, the impact of this more flexible policy stance could be taken more broadly into account in assessing comparable action.

Finally, there has been an increase in the number of cases where lack of comparable action by official creditors not participating in the Paris Club has not only been counter to the principle of comparable action but has also posed difficulties for the successful implementation of the debtor's Fund-supported program. Paris Club creditors have, therefore, sought to improve implementation of the comparability provisions in Agreed Minutes by requiring from debtors a written report on the reschedulings concluded with other creditors.

III. Framework of Official Multilateral Debt Renegotiations

Official multilateral debt renegotiations deal with the rescheduling of debt service payments on loans extended by, or guaranteed by, the governments or the official agencies of the participating creditor countries. They are normally, though not exclusively, undertaken under the aegis of the Paris Club. The Club has neither a fixed membership nor an institutional structure; rather it represents a set of practices and procedures that have evolved over the 30 years since the first such

ad hoc meeting was convened for Argentina in 1956. Meetings are open to all official creditors that accept those practices and procedures.

The rescheduling exercise is initiated by the debtor country sending a formal request for a meeting to the Chairman of the Paris Club who, by tradition, is an official of the French Treasury. ^{1/} The debtor supplies a breakdown of external debt service payments by creditor on the basis of which the Chairman, in consultation with the debtor, sends invitations for a meeting to individual creditor countries. The IMF, the World Bank, the UNCTAD and, where relevant, the regional development bank concerned, are invited to make presentations at the meetings. Official creditors meet with the debtor to negotiate an agreement (the Agreed Minute) which is then signed ad referendum by all creditor countries attending the meeting unless the amounts owed to them that would have been covered by the rescheduling agreement are less than a prescribed amount (the de minimis level) in which case they may attend as observers.

The Agreed Minute sets out the broad terms of rescheduling that the participants recommend to their respective governments to be incorporated in the subsequent bilateral agreements between the debtor and each creditor country; the bilateral agreements form the legal basis for the debt rescheduling. Interest rates on the rescheduled debt are set in the bilateral agreement, and the date by which such agreements would have to be signed is specified in the Minute.

Official creditors require two preconditions for the initiation of a debt renegotiation. First, creditors must be convinced that the debtor country will be unable to meet its external payments obligations in the absence of debt relief. Second, official creditors require that the debtor country take the steps necessary to eliminate the causes of its payments difficulties and to achieve a durable improvement in its external payments position. For countries that are members of the IMF, creditors rely on the Fund to assist the debtor country in the design of appropriate adjustment measures and they therefore have required that an upper credit tranche arrangement with the Fund be in place prior to the initiation of debt renegotiations. Creditor governments, both in the Paris Club and, particularly, in their export credit activities, have also been attaching increasing importance to the involvement of the World Bank and the regional development banks; this reflects the key contribution these institutions can make, in such cases, both in helping

^{1/} Upon the Fund staff being informed that a rescheduling request has been received by the Chairman of the Paris Club, and with the concurrence of the Executive Director of the debtor country in question, a notification is issued to the Fund Executive Directors informing them that a rescheduling request from the debtor country has been received by the Paris Club.

debtor countries design structural and sectoral adjustment programs and in assessing investment plans and projects, as well as the growing role they are expected to play in financing adjustment efforts.

An exception to the requirement that there be an upper credit tranche arrangement with the Fund throughout the consolidation period has been made recently in connection with the serial rescheduling agreements reached with selected debtor countries. In those cases it was agreed that, provided the debtor had already achieved significant adjustment with the support of upper credit tranche arrangements, some or all of the stages of the serial rescheduling were to be conditioned on the satisfactory implementation by the country of its economic program within the framework of enhanced surveillance. This latter procedure has been developed by the Fund to assist in the process of restoring normal market relations between creditors and debtor countries and is discussed in Section V in connection with serial reschedulings.

IV. Recent Experience in Official Multilateral Debt Renegotiations

1. Frequency of reschedulings

Since the onset of widespread debt servicing difficulties in 1982, the number and scale of debt restructurings with official creditors has reached record levels. While during the seven-year period ending in 1982 official creditors concluded an average of about four agreements per year for a total amount of approximately US\$12 billion, in the following two years about 15 rescheduling agreements were concluded per year resulting in total debt relief of about US\$13 billion. ^{1/} This upward trend continued in 1985 when official creditors signed 21 rescheduling agreements with 20 debtor countries for an estimated US\$18 billion of debt relief (Chart 1). The reschedulings in 1985 involved seven countries that had not rescheduled in recent years. For the other 13 countries, their reschedulings represented at least the second approach to official creditors since 1976 (Table 1). The rescheduling countries included 11 from Africa, 7 from the Western Hemisphere, and 2 from Europe. Several reschedulings covered middle-income countries.

During the first half of 1986, the number of rescheduling agreements and the amount of debt relief dropped to levels closer to those of 1983-84, partly reflecting the exceptionally large number of agreements signed in 1985 and the increase in the average length of the consolidation period registered in those recent agreements. The number of

^{1/} References in this paper to official multilateral reschedulings exclude renegotiations conducted under the auspices of aid consortia as well as reschedulings that involved non-Fund members. Reschedulings with Poland signed prior to its date of membership in the Fund (June 12, 1986) are included.

Table 1. Official Multilateral Debt Reschedulings, 1976-June 1986 ^{1/}

--Overview--

Debtor Country <u>2/</u>	Date of Agreement Mo./Day/Yr.	Amount Rescheduled <u>3/</u> (In millions of U.S. dollars)	Type of Debt Consoli- dated <u>4/</u>	Consoli- dation Period (months)	Proportion of Due Payments Rescheduled <u>5/ 6/</u> (In percent)		Terms <u>5/ 7/</u> Grace Maturity (In years)	
					Prin.	Int.		
Zaire I	6/16/76	270	PA	18	85	--	1	7 6/12
Zaire II	7/07/77	170	PI	12 <u>8/</u>	85	85	3	8 6/12
Sierra Leone I	9/15/77	39	PIA	24	80	80	1 6/12	8 6/12
Zaire III	12/01/77	40	I	6	--	75	3	9
Turkey I	5/20/78	1,300	PIAt	13	80	80	2	6 6/12
Gabon I	6/20/78	63	Ap	...	...	...	...	...
Peru I	11/03/78	420	P	12	90	--	2	6 6/12
Togo I	6/15/79	260	PIA	21	80	80	2 9/12	8 3/12
Turkey II	7/25/79	1,200	PIAs	12	85	85	3	7 6/12
Sudan I	11/13/79	487	PIA	21	85	85	3	9 6/12
Zaire IV	12/11/79	1,040	PIAtAr	18	90	90	3 6/12	9
Sierra Leone II	2/08/80	37	PIA	16	90	90	4 2/12	9 8/12
Turkey III	7/23/80	3,000	PIAtArK	36	90	90	4 6/12	9
Liberia I	12/19/80	35	PI	18	90	90	3 3/12	7 9/12
Togo II	2/20/81	232	PI	14	85	85	4	8 6/12
Poland I	4/27/81	2,000	PIA	15	90	90	4	7 6/12
Madagascar I	4/30/81	140	PIAt	18	85	85	3 9/12	8 3/12
C.A.R. I	6/12/81	72	PIA	12	85	85	4	8 6/12
Zaire V	7/09/81	500	PI	12	90	90	4	9 6/12
Senegal I	10/12/81	75	PI	12	85	85	4	8 6/12
Uganda I	11/18/81	30	PIA	12	90	90	4 6/12	9
Liberia II	12/16/81	25	PI	18	90	90	4 1/12	8 7/12
Sudan II	3/18/82	203	PIA	18	90	90	4 6/12	9 6/12
Madagascar II	7/13/82	107	PIAt	12	85	85	3 9/12	8 3/12
Romania I	7/28/82	234	PIA	12	80	80	3	6
Malawi I	9/22/82	25	PI	12	85	85	3 6/12	8
Senegal II	11/29/82	74	PI	12	85	85	4 3/12	8 9/12
Uganda II	12/01/82	19	PI	12	90	90	4 6/12	8
Costa Rica I	1/11/83	136	PIA	18	85	85	3 9/12	8 3/12
Sudan III	2/04/83	518	PtItAtR	12	100	100	5 6/12	15
Togo III	4/12/83	300	PIAR	12	90	90	5	9 6/12
Zambia I	5/16/83	375	PIAt	12	90	90	5	9 6/12
Romania II	5/18/83	736	P	12	60	--	3	6
Mexico I	6/22/83	1,199	PAAt	6	90	--	3	5 6/12
C.A.R. II	7/08/83	13	PIA	12	90	90	5	9 6/12
Peru II	7/26/83	466	PI	12	90	90	3	7 6/12
Ecuador I	7/28/83	142	PI	12	85	85	3	7 6/12
Morocco I	10/25/83	1,152	PIA	16	85	85	3 9/12	7 3/12
Malawi II	10/27/83	26	PI	12	85	85	3 6/12	8
Niger I	11/14/83	36	PI	12	90	60	4 6/12	8 6/12
Brazil I	11/23/83	2,695	PIA	17	85	85	4	7 6/12
Zaire VI	12/20/83	1,497	PtItAtRARL	12	95	95	5	10 6/12
Senegal III	12/21/83	72	PI	12	90	90	4	8 6/12
Liberia III	12/22/83	17	PI	12	90	90	4	8 6/12

Table 1 (concluded). Official Multilateral Debt Reschedulings, 1976-June 1986 1/

--Overview--

Debtor Country 2/	Date of Agreement Mo./Day/Yr.	Amount Rescheduled 3/ (In millions of U.S. dollars)	Type of Debt Consoli- dated 4/	Consoli- dation Period (months)	Proportion of Due Payments Rescheduled 5/ b/		Terms 5/ 7/	
					(In percent)		Grace	Maturity
					Prin.	Int.		
Sierra Leone III	2/08/84	25	PIAtArR	12	90	90	5	10
Madagascar III	3/23/84	89	PIAArR	18	95	95	4 9/12	10 3/12
Sudan IV	5/03/84	249	PIR	12	100	100	6	15 6/12
Côte d'Ivoire I	5/04/84	356	PI	13	100	50	4	8 6/12
Yugoslavia I	5/22/84	500	P	12	100	--	4	6 6/12
Peru III	6/05/84	704	PI	15	90	90	4 11/12	8 5/12
Togo IV	6/06/84	75	PIR	16	95	95	4 10/12	9 4/12
Jamaica I	7/16/84	105	PIA	15	100	50	3 11/12	8 5/12
Zambia II	7/20/84	253	PIArR	12	100	100	5	9 6/12
Mozambique I	10/25/84	404	PIA	12	95	95	5	10 6/12
Niger II	11/30/84	26	PI	14	90	50	4 11/12	9 5/12
Liberia IV	12/17/84	17	PI	12	90	90	5	9 6/12
Philippines I	12/20/84	757	PI	18	100	60	4 9/12	9 3/12
Argentina I	1/16/85	2,040	PIA	12	90	90	5	9 6/12
Senegal IV	1/18/85	122	PIA	18	95	95	3 9/12	8 3/12
Somalia I	3/06/85	127	PIAt	12	95	95	5	9 6/12
Costa Rica II	4/22/85	166	PIA	15	90	90	4 11/12	9 5/12
Ecuador II 9/	4/24/85	450	PAP	12	100	--	3	7 6/12
				12	85	--	3	7 6/12
				12	70	--	3	7 6/12
Mauritania I	4/27/85	74	PIA	15	90	90	3 9/12	8 3/12
Dominican Rep. I	5/21/85	290	PIA	15	90	90	4 11/12	9 5/12
Madagascar IV	5/22/85	128	PIR	15	100	100	4 11/12	10 5/12
Yugoslavia II	5/24/85	812	P	18	90	--	3 9/12	8 3/12
Togo V	6/24/85	27	PI	12	95	95	5	10 6/12
Côte d'Ivoire II	6/25/85	213	PI	12	100	50	4	8 6/12
Poland II	7/15/85	10,300	PIAL	36	100	100	5	10 6/12
Chile I	7/17/85	146	P	18	65	--	2 9/12	6 3/12
Jamaica II	7/19/85	62	PI	12	100	50	4	9 6/12
Equat. Guinea I	7/22/85	38	PIAL	18	100	100	4 6/12	9
Morocco II	9/17/85	1,124	PIA	18	90	90	3 9/12	8 3/12
Zaire VII	9/18/85	408	PIR	15	95	95	4 11/12	9 5/12
Panama I	9/19/85	19	P	16	50	--	2 10/12	7 4/12
Poland III	11/19/85	1,400	PI	12	100	100	5	9 6/12
Niger III	11/21/85	38	PI	12	90	50	5 1/12	9 6/12
C.A.R. III	11/22/85	14	PIRp	18	90	90	4 9/12	9 3/12
Zambia III	3/04/86	371	PIAArR	12	100	100	5	9 6/12
Guinea I	4/18/86	196	PIAArRL 10/	12	95	95	4 11/12	9 5/12
Yugoslavia III	5/13/86	401	P	12	85	--	3 11/12	8 5/12
Zaire VIII	5/15/86	429	PIR	12	100	100	4	9 6/12
Mauritania II	5/16/86	27	PI	12	95	95	4	8 6/12
Côte	6/27/86	370	P	12	80	--	4 1/12	8 7/12
d'Ivoire III 9/				12	70	--	4 1/12	8 7/12
				12	60	--	4 1/12	8 7/12

Sources: Agreed Minutes of debt reschedulings; and Fund staff estimates.

1/ Excludes debt renegotiations conducted under the auspices of aid consortia. Also excludes official debt reschedulings for countries not members of the Fund, but includes agreements with Poland signed prior to its date of membership in the Fund (June 12, 1986).

2/ Roman numerals indicate, for each country, the number of debt reschedulings in the period beginning 1976.

3/ Includes debt service formally rescheduled as well as postponed maturities. (For a definition of terms, see Annex.)

4/ Key:

- P - Principal, medium- and long-term debt
- Pt - Principal, debt of all maturities
- I - Interest, medium- and long-term debt
- It - Interest, debt of all maturities
- A - Arrears on principal and interest, medium- and long-term debt
- As - Arrears on principal and interest, short-term debt
- At - Arrears on principal and interest, debt of all maturities
- Ap - Arrears on principal, medium- and long-term debt
- Ar - Arrears on previously rescheduled debt
- L - Late interest
- R - Previously rescheduled debt, principal and interest
- Rp - Previously rescheduled debt, principal only

5/ Terms for current maturities due on medium- and long-term debt covered by the rescheduling agreement and not rescheduled previously.

6/ In most instances, some portion of the remaining amount was also deferred for a shorter period.

7/ For purposes of this paper grace and maturity on rescheduled current maturities are counted from the end of the consolidation period.

8/ Interest payments consolidated for the first half of this period only.

9/ Includes three separate one-year consolidation periods of the multiyear restructuring agreement.

10/ Previously rescheduled debt in this case refers to debt previously rescheduled outside multilateral fora with official creditors.

Paris Club reschedulings also depends on the efforts of debtor countries in framing and undertaking the adjustment programs which official creditors require as a precondition for considering a rescheduling request. As of mid-1986 there were more than 20 countries that could be expected to seek an official rescheduling if and when a Fund-supported program was in place.

2. Cutoff date

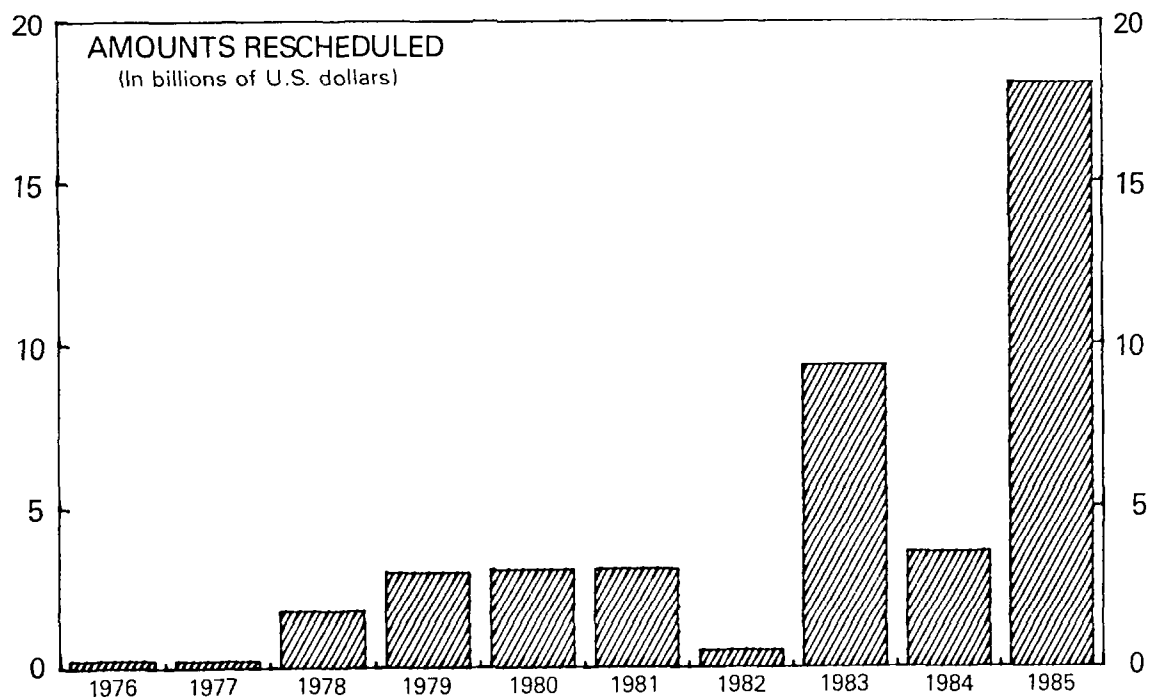
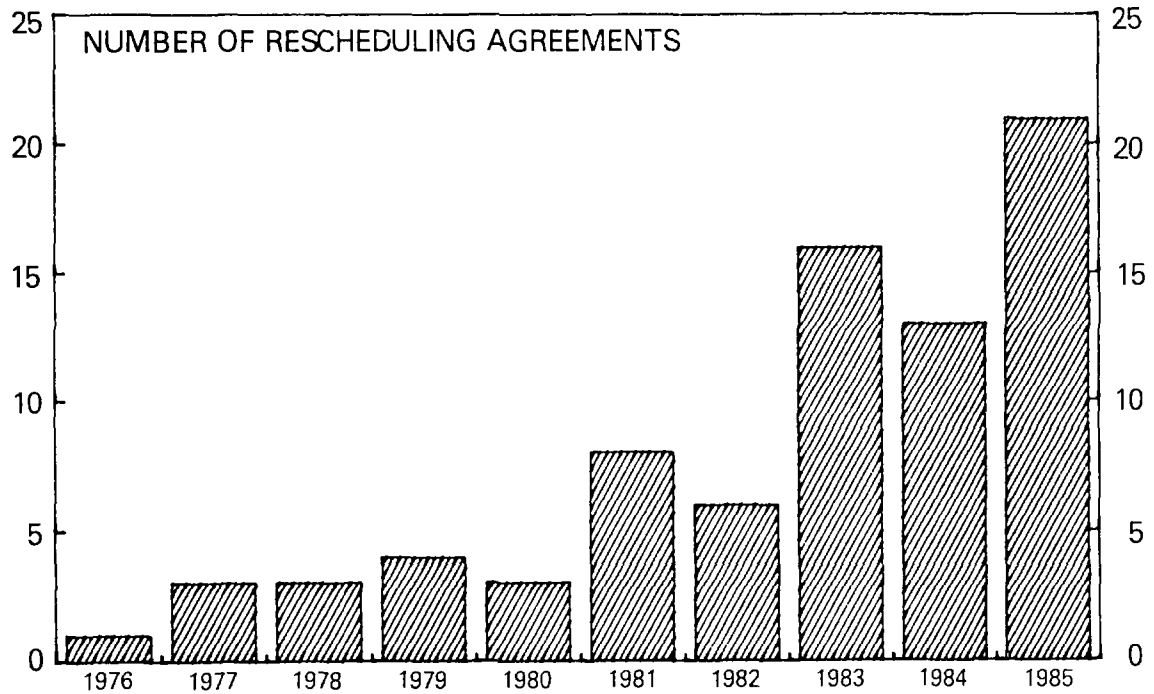
Increased recognition among debtors and official creditors of the link between Paris Club reschedulings and the cover policies of export credit agencies has resulted in a major change in the provisions regarding the cutoff date in recent reschedulings. First and foremost, all official rescheduling agreements for countries seeking successive reschedulings have, without exception, maintained the cutoff date unchanged. This contrasts with the experience of previous years, when it was not uncommon for the debtor and Paris Club creditors to agree to a change in the cutoff date that had been set in the preceding rescheduling.

The importance now attached to not changing the cutoff date reflects the greater attention being paid to the different financing sources that potentially could contribute to the resolution of a country's debt servicing difficulties, as well as increased awareness of the implications for new credit flows of a change in the cutoff date. For export credit agencies and their authorities, confidence that new credits will be serviced on a timely basis is the key factor in decisions on new export credits and cover. Strict adherence in Paris Club rescheduling agreements to the principle of maintaining the original cutoff date unchanged during a series of reschedulings can, therefore, contribute importantly to the maintenance or eventual resumption of new credit flows by providing a measure of assurance that credits contracted after the cutoff date will not become subject to future reschedulings.

To reinforce this principle and underscore creditors' intentions in this regard, recent rescheduling agreements incorporating a reference to creditors' willingness to consider additional debt relief in the future (the goodwill clause) have in some cases explicitly indicated that the future rescheduling would be granted on the basis of the same cutoff date as that of the rescheduling then being undertaken. This condition was first included in the 1984 rescheduling agreement for Jamaica. It appeared in about half of the agreements containing a goodwill clause in 1985, and in all such agreements since the beginning of 1986. It is hoped that this provision, by further reducing actual and perceived risks, will facilitate the resumption of new export credits and cover.

Debtors and official creditors have also sought to prevent the abrupt halt in new lending that may occur in the months immediately prior to a Paris Club rescheduling. In the past, export credit agencies have reacted in this way to news that a country was seeking a rescheduling, so as to avoid having new credits caught up in the upcoming agreement and in future reschedulings. To help preserve the flow of

CHART 1
OFFICIAL MULTILATERAL DEBT
RENEGOTIATIONS, 1976-1985



Sources: Agreed Minutes of debt reschedulings; and Fund staff estimates.



export credits in this situation, the cutoff date has been set well before the beginning of the consolidation period in recent agreements for countries seeking a first rescheduling, thereby excluding from the consolidation debt service on credits contracted in the immediately preceding months.

The recent adherence to the principle of an unchanged cutoff date in cases of successive reschedulings and the efforts to avoid abrupt disruptions in new lending in cases of countries seeking a rescheduling for the first time in recent years are reflected in the evolution for these two groups of debtor countries of the average cutoff interval, which is the average number of months between the cutoff date and the beginning of the consolidation period (Chart 2). For countries requesting successive reschedulings, the 1982-83 period evidenced a low average cutoff interval as creditors agreed to a change in the cutoff date in an increasing number of cases. However, as mentioned before, this practice was soon found to have an adverse impact on new credit flows and was reversed starting in 1984. As a result, the average cutoff interval in such cases increased from 8 months in 1983 to 10 months in 1984 and further to 23 months in 1985. For countries that had not had a previous rescheduling in recent years, the change in policy regarding the setting of the cutoff date is also directly reflected in the evolution of the average cutoff interval. In 1981 the cutoff date coincided with the beginning of the consolidation period in 3 out of the 4 agreements for countries in this group, and the average cutoff interval was only 1 month. In 1982-83, the cutoff interval increased to 3 months and by 1984-85 it averaged 7 months.

3. Coverage of debt consolidation

Typically, official debt reschedulings cover both principal and interest payments on medium- and long-term loans falling due during a given period (the consolidation period). Creditors have also demonstrated their willingness to reschedule, where necessary, payments already in arrears (i.e., having fallen due before the beginning of the consolidation period), especially in the case of countries undertaking a rescheduling with official creditors for the first time. In each Agreed Minute a "de minimis" level is specified; creditors for which debt service covered by the Agreed Minute, both arrears and current maturities, is below that level are excluded from the rescheduling, and obligations to these creditors are to be paid on the due date. The "de minimis" level is traditionally set at SDR 250,000, SDR 500,000, or SDR 1 million, depending on the size of the debtor's economy and its debt service obligations.

Debtors and creditors have attached the highest priority to avoiding the rescheduling of service on short-term debt (with an original maturity of one year or less), since such exclusion permits in most cases the maintenance of crucial short-term trade credits and cover by export credit agencies. During the last ten years, obligations on short-term debt falling due during the consolidation period were

rescheduled only in two very exceptional cases (Sudan and Zaïre), both in 1983. Short-term debt in arrears has been rescheduled somewhat more often, particularly immediately after the emergence of widespread debt service difficulties. Since 1976 arrears on short-term debt were rescheduled in 12 out of the 43 agreements involving rescheduling of arrears and half of these 12 cases occurred in 1983. Since 1984, there has been only 1 case in which short-term debt arrears were rescheduled (Somalia, 1985).

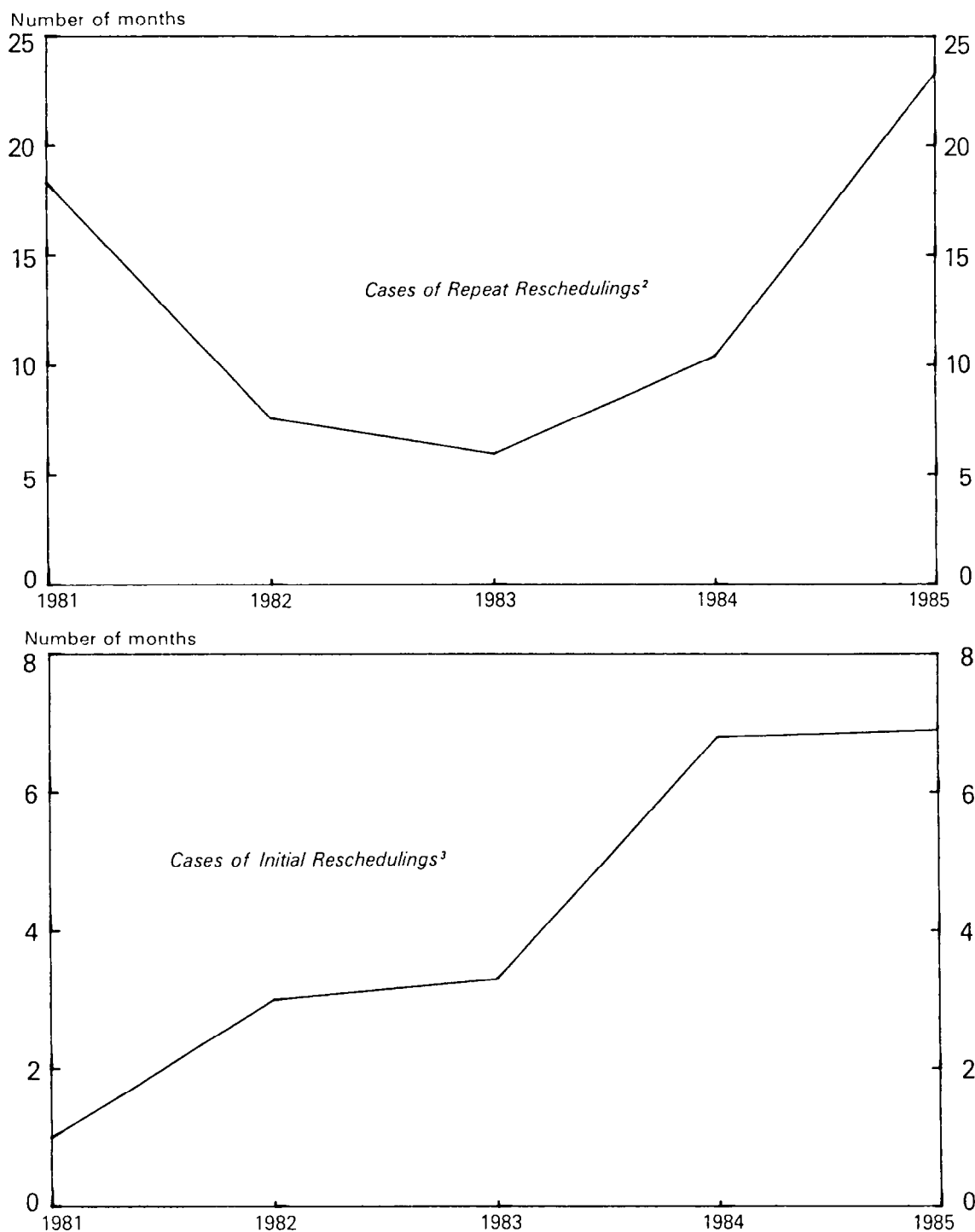
In the past, creditors have excluded, practically without exception, the rescheduling of late interest charges (i.e., interest charged on obligations in arrears); since 1984 such charges have been rescheduled on three occasions on an exceptional basis (Poland (1985), Equatorial Guinea (1985), and Guinea (1986)). In these cases the amount of arrears was large and the late interest accrued was large relative to the country's payment capacity.

Before mid-1982, official creditors had generally excluded from a consolidation all principal and interest due under previous rescheduling agreements. However, reflecting the acute debt servicing difficulties faced by many countries, during 1983-84 previously rescheduled debt (PRD) was rescheduled in half of the 17 agreements where the country had obligations due under previous reschedulings. Since the beginning of 1985, the rescheduling of PRD has been more exceptional. During the 18 months to June 1986, PRD was rescheduled in only 5 of the 19 cases where there was a previous rescheduling. Moreover, in 4 of the 5 cases (Madagascar (1985), Zaïre (1985), Central African Republic (1985) and Zaïre (1986)) service on the immediately preceding rescheduling agreement was excluded, whereas such an exclusion only occurred once (Togo, 1984) in the 8 agreements covering PRD during 1983-84 (Appendix I, Table 8).

The most recent rescheduling agreement with Zaïre (1986) provides an example of how carefully official creditors now distinguish among different types of debt service payments. As this was the eighth official rescheduling for Zaïre in the past decade, PRD represented a large part of debt service due and Zaïre could meet some but not all obligations due under past agreements. Paris Club creditors deliberated on the various combinations of coverage and rescheduling percentages that would yield what was deemed an appropriate contribution to closing the financing gap in this case. In the event, they decided to grant 100 percent of debt relief on current maturities (the first time that such a large rescheduling percentage was granted to Zaïre) and placed emphasis instead on a careful selection of debt service payments to be excluded from the agreement. Their choices summarized to a large extent the priorities that have become evident in past practice with Paris Club reschedulings. Apart from the exclusion of current service on short-term debt, the consolidation also excluded all maturities on the most recent rescheduling with Zaïre (1985). Maturities on debt rescheduled in 1983 were also excluded, with the exception of interest payments on selected types of consolidated debt. In particular, 50 percent of

CHART 2

OFFICIAL MULTILATERAL DEBT RESCHEDULINGS: AVERAGE CUTOFF INTERVAL¹



Sources: Agreed Minutes of debt reschedulings; and Fund staff estimates.

¹ Defined as the average number of months between the cutoff date and the beginning of the consolidation period.

² For the purpose of this graph, it includes rescheduling agreements involving cases where the country had a previous rescheduling in the preceding three year period.

³ For the purpose of this graph, it includes rescheduling agreements involving cases where the country had no rescheduling in the preceding three-year period.

interest on the 1983 consolidation was rescheduled with the exception of interest on previous exceptional consolidations of short-term debt and late interest.

It has been a standard practice for Paris Club rescheduling agreements to cover debts of both the public and private sectors in the debtor country, except in cases of countries belonging to a currency union where the problem of foreign exchange transfer is not relevant. This practice developed to preserve intercreditor equity, since typically the various Paris Club creditors register different relative exposures vis-à-vis the public and private sectors of any given debtor country and the exclusion of private sector debt from the rescheduling agreement would, thus, normally give rise to inequitable burden sharing. This tradition was broken in July 1985 when, at the request of the debtor country, private sector debt was excluded from the rescheduling agreements for Chile and Jamaica, and, subsequently, also in the rescheduling agreement for Morocco.

The change in practice vis-à-vis the rescheduling of private sector debt responded mainly to two motivations. On operational grounds, the exclusion of private sector debt from the rescheduling can simplify considerably the rescheduling process, since technical complications have often been encountered in rescheduling such debt. In particular, it is often difficult in practice to identify the eligible private sector debt and to determine in which cases it is subject to commercial default, which is not covered by Paris Club reschedulings. On policy grounds, the exclusion of private sector debt from the rescheduling can contribute to the maintenance or earlier re-establishment of the creditworthiness of the private sector in these countries, as many export credit authorities are willing to stay on cover for the private sector if such debt is excluded from the rescheduling and is being serviced on a current basis. To prevent difficulties by the private sector in transferring debt service payments to official creditors in cases where private sector debt has been excluded from the rescheduling, official creditors have introduced a new clause in the relevant Agreed Minute whereby the debtor government agrees to guarantee the immediate and unrestricted transfer of foreign exchange in all cases where the private sector debtor pays the local currency counterpart for servicing its debt owed to Paris Club creditors.

In spite of the advantages of excluding private sector debt from reschedulings in selected cases, a generalized exclusion of private sector debt is not currently being considered by official creditors since it can result in complications on several counts. First, private sector debt service may be relatively large compared with the country's total financing needs and its exclusion may result in a large unfunded gap in the balance of payments. Second, the inclusion of private debt in Paris Club reschedulings has in some cases enabled private debtors to obtain preferential access to foreign exchange (through, for example, a preferential rate) in those cases where the authorities had put in place a more general scheme granting such preferences to deferred debts. This,

in turn, has benefited official creditors by reducing the commercial risk. (Paris Club creditors will not, however, accept terms of deferral declared unilaterally by the debtor country; the terms of any official rescheduling must be negotiated multilaterally.) Finally, as mentioned above, the exclusion of private debt from Paris Club agreements might give rise to important issues of intercreditor equity and burden sharing in the provision of debt relief. For these reasons, creditors prefer to address this issue on a case-by-case basis.

A notable development regarding the coverage of debt in recent rescheduling agreements is the increase in the number of Paris Club reschedulings that exclude interest payments from the consolidation. Since 1984, such an exclusion was made in six cases involving five different countries, compared to only two cases in the preceding five-year period. This exclusion was common to all three cases of serial reschedulings (Ecuador, Côte d'Ivoire, and Yugoslavia) where extended consolidation periods were agreed upon to facilitate the return to normal market access (see Section V). The remaining two cases where interest payments were excluded from the consolidation (Chile and Panama) involved countries where debt service payments to official creditors were small relative to what was owed to other creditors and interest payments were excluded to create a positive impact on the procurement of new export credits by maintaining, to the extent possible, a normal payments relationship.

In addition to the types of exclusions discussed in the preceding paragraphs, Paris Club agreements always exclude debts contracted by binational entities or guaranteed by a third party, e.g., a nonresident corporation or a government other than that of the debtor or creditor. Apart from these, Paris Club principles do not permit the exclusion of any other types of bilateral debt from the rescheduling agreement. In the past, some debtor countries have requested various other types of exclusion but, primarily for reasons of precedent and intercreditor equity, official creditors have always refused to accede to such requests. In particular, creditors have reaffirmed that secured debts, debts repayable in commodities, and debts covered by special payments mechanisms are subject to the provisions of the Agreed Minute and that no distinction is to be made between buyers' and suppliers' credits. Also, creditors have refused requests by debtors to set the "de minimis" amount at an exceptionally high level in order to limit the number of creditors participating in the rescheduling.

4. Consolidation period

Official debt relief applies to debt service payments on debts covered by the agreement and falling due during a specified period of time (consolidation period). In the past, consolidation periods were often set to coincide with the calendar year or other convenient 12-month period; consolidation periods of under 12 months were rare, while for a number of cases the period was longer. As a result of this practice, it was not uncommon for the consolidation period to end before the expiration

of the country's arrangement with the Fund. Since official creditors do not consider a subsequent rescheduling request until a new Fund arrangement is in place, debtors often incurred arrears during this interval. The incurrence of new arrears posed problems both for creditors and for the debtor under its Fund arrangement. To avoid this situation, creditors have begun more frequently to agree to extend the consolidation period to cover the full period of a Fund arrangement. This change in practice has resulted in a lengthening of the average consolidation period to 15 months in 1985. ^{1/} This was, however, a transitional phenomenon, and the average length of consolidation can be expected to decline again once this realignment with the timing of Fund arrangements, or annual programs within longer arrangements, has been attained.

In the case of multiyear reschedulings where the rescheduling arrangement was tailored so as to facilitate resumption of normal access to financial markets and export credits (see Section V below), the consolidation period is substantially longer and set in accordance with the expected time needed for the debtor country to re-establish market access and to resume regular debt service payments. ^{2/} Official creditors have also provided long effective consolidation periods to countries seeking successive rescheduling agreements. Overall, since 1976, 23 countries undertook debt renegotiations on more than one occasion and the cumulative consolidation period for those countries ranged from two years to more than 7 years (Appendix I, Table 7). The sharp increase since 1983 in the number of cases involving successive reschedulings brought to 15 the total number of countries with 3 or more reschedulings during the past 10 years. For each of these 15 countries, the cumulative consolidation period amounted to at least 3 years, and for 10 of them it was 4 years or more. In 8 of the cases in which the debtor country had obtained 3 or more reschedulings, the ending dates of successive rescheduling agreements coincided with the starting dates of the agreements that followed, in effect resulting in uninterrupted consolidation periods of 3 years or more (Chart 3). Moreover, 6 other agreements among these 15 included the rescheduling of arrears and, as a result, these reschedulings also provided longer effective consolidations.

5. Amounts restructured and repayment terms

Paris Club agreements normally do not provide for the rescheduling of the full amount of payments falling due during the consolidation period. First, as noted in section 3 above, certain debts are not covered by the consolidation. For covered debt service, a large portion

^{1/} Excludes the MYRA for Ecuador agreed in April 1985 and the agreements with Poland.

^{2/} In the case of Côte d'Ivoire the hump in debt service payments extends through 1989 which, by this criterion, might have indicated that a four-year consolidation period was appropriate. However, in view of the uncertainties, creditors decided to grant a three-year MYRA with an "improved goodwill clause" for 1989 (see below page 20).

is usually rescheduled on a medium-term basis according to the repayment terms specified in the Agreed Minute and the remaining covered debt service payments are either made according to the terms of the original contract or else they are granted a short deferral.

The percentage of debt service rescheduled and the repayment terms have traditionally tended to vary with the types of debt concerned. This tendency has become more pronounced since the onset of debt servicing difficulties in mid-1982 and the subsequent large accumulation of arrears. Creditors have, for example, sought to apply more stringent terms to arrears in order to give debtor countries an incentive to undertake prompt remedial action. The terms granted have also varied widely among debtor countries, depending on the perceived gravity of their payments difficulties.

For purposes of this paper it is useful to distinguish three different segments in the repayment structure of debt service covered by the agreement: (i) a formally rescheduled portion (i.e., consolidated debt service payments); (ii) a deferred portion, which includes that part of the unconsolidated obligations for which payment is postponed until after the end of the consolidation period; and (iii) a downpayment, which is to be paid during the consolidation period. The formally rescheduled portion plus the deferred portion constitute the amount effectively rescheduled, i.e., payable after the end of the consolidation period. 1/

In recent years the percentage formally rescheduled for current maturities has not changed significantly, averaging about 85 percent, and current maturities have typically been rescheduled over 7-10 years, including about 3-5 years grace (Appendix I, Tables 10-13). When arrears were rescheduled such amounts normally had to be repaid somewhat earlier than rescheduled current maturities. 2/ Moreover, particularly

1/ As an illustration, consider the case where total debt service covered by the agreement amounts to US\$100 million, and where creditors agree to reschedule 85 percent of it, with the remainder to be paid as follows: 5 percent before the end of the consolidation period and 10 percent in four equal semiannual installments starting the day after the end of the consolidation period. In this case, the amount formally rescheduled is US\$85 million, the downpayment is US\$5 million, and the deferred portion is US\$10 million, to be paid at the rate of US\$2.5 million semiannually starting the day after the end of the consolidation period. The percentage of debt service effectively rescheduled is 95 percent.

2/ However, if grace and maturity for arrears are measured from the date those arrears are consolidated, i.e., the beginning of the consolidation period for current maturities, the grace period and maturity for arrears exceed in a number of cases that granted for current maturities (Appendix I, Table 15).

Chart 3. Official Multilateral Debt Renegotiations, 1976-June 1986
Consolidation Periods of Successive Rescheduling Agreements 1/

	1976	1977	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988
Zaire 2/	<1-----|2-----|3-----|			<4-----|5-----|				<6-----|7-----|8-----|					
Sierra Leone		<1-----|		<2-----|				<3-----|					
Turkey			<1-----|	<2-----|	<3-----|	*4-----|	*5-----|						
Peru				1-----|				2-----|	3-----|				
Togo				<1-----|	*-----|2-----|		<3-----|	4-----|	5-----|				
Sudan				<1-----|	*-----|	<2-----|		<3-----|	4-----|				
Liberia					1-----|	2-----|	*-----|	3-----|	4-----|				
Madagascar					<1-----|	<2-----|	<3-----|	4-----|					
C.A.R.					<1-----|		<2-----|		3-----|				
Poland						<1-----|	<2-----|		3-----|				
Senegal						1-----|	2-----|	3-----|	<4-----|				
Uganda						<1-----|	2-----|						
Romania						<1-----|	2-----|						
Malawi							1-----|	2-----|					
Costa Rica							1-----|		<2-----|				
Zambia								<1-----|	<2-----|	<3-----|			
Mexico								<1-----|					
Ecuador								1-----|	2-----|				
Morocco								<1-----|	<2-----|				
Niger								1-----|	2-----|	3-----|			
Brazil								<1-----|					
Cote d'Ivoire								1-----|	2-----|	3-----|			
Yugoslavia								1-----|	2-----|	3-----|			
Jamaica								<1-----|	2-----|				
Mozambique									<1-----|				
Philippines									1-----|				
Argentina									<1-----|				
Somalia									<1-----|				
Mauritania									<1-----|	2-----|			
Domin. Rep.									<1-----|				
Equat. Guinea										<1-----|			
Chile										1-----|			
Panama										<1-----|			
Guinea										1-----|			

Source: Agreed Minutes of debt reschedulings.

Notes: 1,2,3, etc. - start of successive consolidation periods.





stringent terms were applied in the one case during 1985 where arrears on short-term debt were rescheduled; these were made repayable within four years with one year's grace.

The average repayment pattern for current maturities was somewhat more backloaded in 1985 than in previous years (Chart 4). This trend was also noticeable in the average repayment terms for arrears during 1985, which showed a noticeable shift away from the earlier tendency to require large repayments during the first two years after the agreement. As regards repayment terms on previously rescheduled debt (PRD), in the recent period current maturities of PRD have been accorded terms similar to those for current maturities of previously unrescheduled debt (Appendix I, Table 14).

Differences in amounts covered by the agreement and repayment terms across debtor country groups have become particularly marked since 1985. By and large, the recent agreements fall into two very distinct groups. The first group (group A) includes agreements for countries that had shown a record of adjustment and were considered to be on the way to restoring normal access to credit markets, as well as for countries where export credit agencies had been increasing their exposure and the amount of debt service owed to official creditors was small relative to what was owed to other creditors. For this group of countries the debt relief provided by official creditors was quite limited. The remaining agreements were for countries that required and obtained more comprehensive debt reschedulings (group B).

None of the countries in group A requested the rescheduling of interest. Moreover, on average, only 74 percent of principal was rescheduled for these countries. Since none of these agreements provided for deferral of nonrescheduled amounts, fully 26 percent of principal, as well as all interest accruing, had to be paid during the consolidation period. ^{1/} Grace periods and maturities were also somewhat shorter than for other countries (Chart 5).

For group B countries, on average fully 92 percent of current principal and interest was rescheduled. Furthermore, since half the nonrescheduled portion was deferred beyond the consolidation period, the downpayment was only 4 percent, i.e., the average effective rescheduling for debt service covered by the agreements was 96 percent. In ten agreements the effective rescheduling was 100 percent. These numbers, however, overstate somewhat the relief provided by the rescheduling, since they refer only to covered debt service. As noted above, loans contracted after the cutoff date are excluded from the agreement and, during this recent period, all or part of previously rescheduled debt was generally excluded as well. As a result of these exclusions, fully

^{1/} In the case of multiyear reschedulings, the average of the rescheduling percentages applicable to each separate tranche is used for purposes of these calculations.

28 percent of medium- and long-term debt service was not covered by the agreements for those group B countries that had previous reschedulings. Exclusion of previously rescheduled debt accounted for most of this difference.

6. Implementation of Agreed Minute

While the Agreed Minute specifies the general terms of the debt restructuring, bilateral agreements between the debtor country and each creditor country provide the legal basis for the reschedulings. ^{1/} In the past, two main difficulties encountered in the implementation of the Agreed Minute were delays in the conclusion of bilateral agreements and the failure of the debtor government to establish adequate mechanisms for the implementation of the rescheduling of private sector debts.

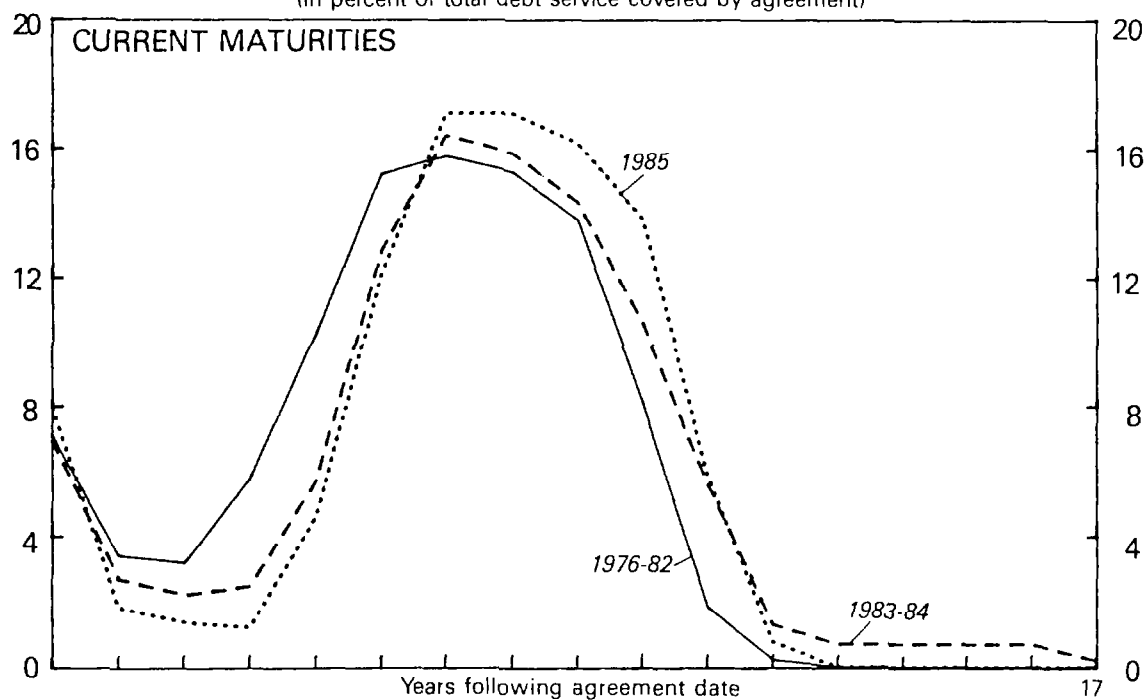
Under the provisions of the Agreed Minute, the debtor country is expected to conclude the implementing bilateral agreements with individual creditors without undue delay, and, in any event, by a specified date (the bilateral deadline, see Appendix I, Table 5). Official creditors will normally not meet to consider a subsequent rescheduling request until the bilateral agreements from the previous rescheduling have been concluded. However, debtor countries have often failed to meet the bilateral deadline, partly due to administrative or technical problems that have arisen in the compilation and verification of the relevant data and claims. These delays have been substantial in some cases. Since interest rates are not determined until bilateral agreements are concluded, the debtor typically does not begin to make moratorium interest payments until then. As a result, there is a bunching of payments which would otherwise have been spread over the consolidation period.

This bunching of payments has created problems for some countries facing a severe foreign exchange constraint when obligations on the debt rescheduled accumulated to a point where the debtor was unable to make payments following the signature of the bilateral agreements. To facilitate the implementation of the Agreed Minute, certain debtor countries have, therefore, agreed to establish a special account with a central bank of one of the creditor countries into which monthly deposits are made. The total amount to be deposited is calculated so as to approximate the amounts payable to all participating creditors during the consolidation period. Such special accounts were opened for five countries (Somalia, Madagascar, Zaïre, Poland, and Equatorial Guinea) in 1985 and for three countries (Zambia, Guinea, and Zaïre) during the first half of 1986 (Appendix I, Table 5). Regular servicing of a

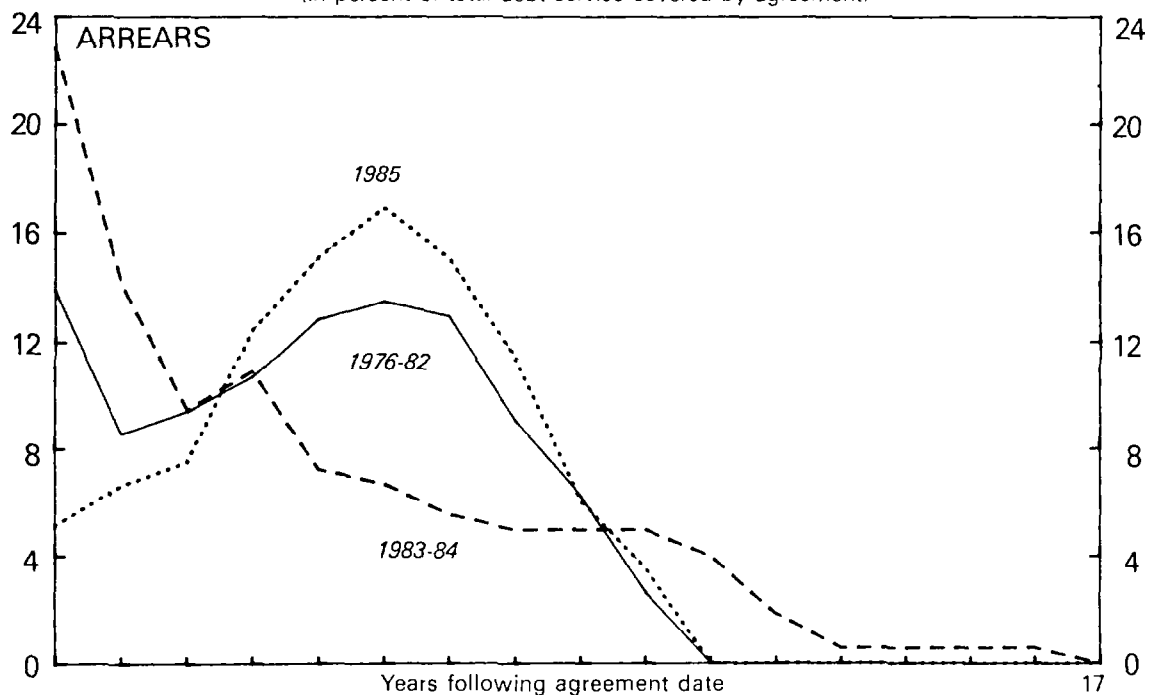
^{1/} Some creditor countries require that the debtor country conclude, in addition to a framework bilateral agreement, individual agreements implementing that bilateral with various national lending agencies involved in the rescheduling.

CHART 4
OFFICIAL MULTILATERAL DEBT RESCHEDULINGS:
AVERAGE REPAYMENT SCHEDULE

(In percent of total debt service covered by agreement)

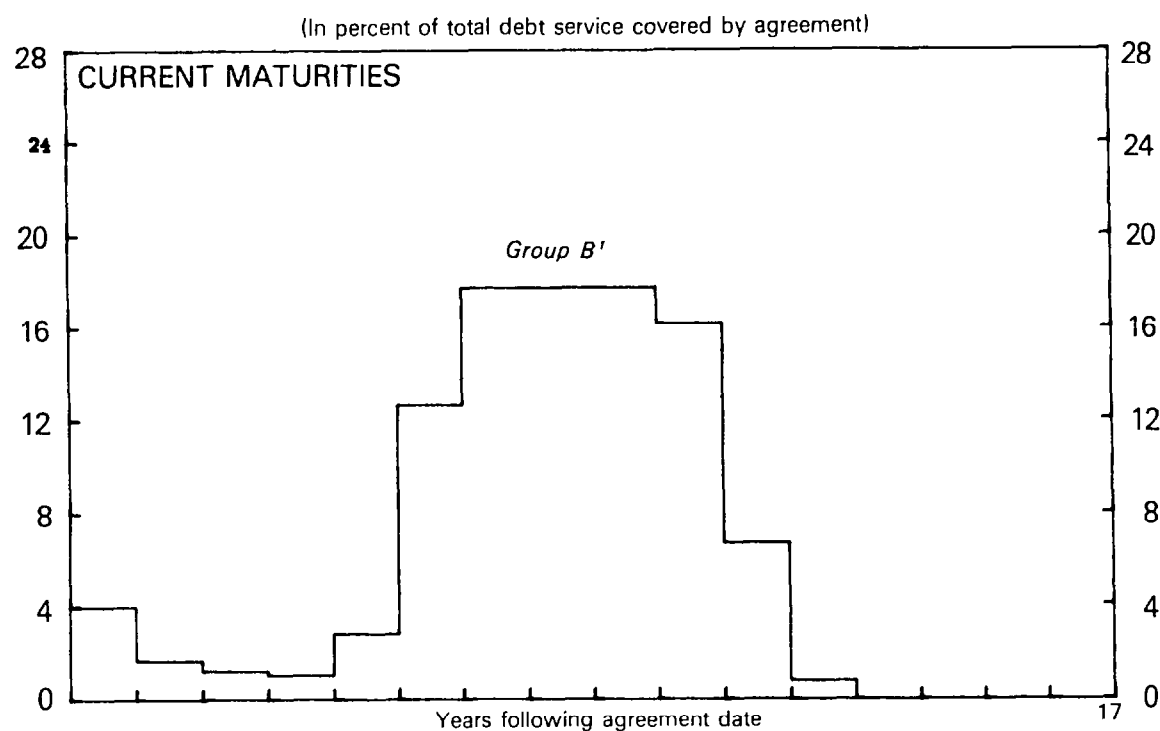
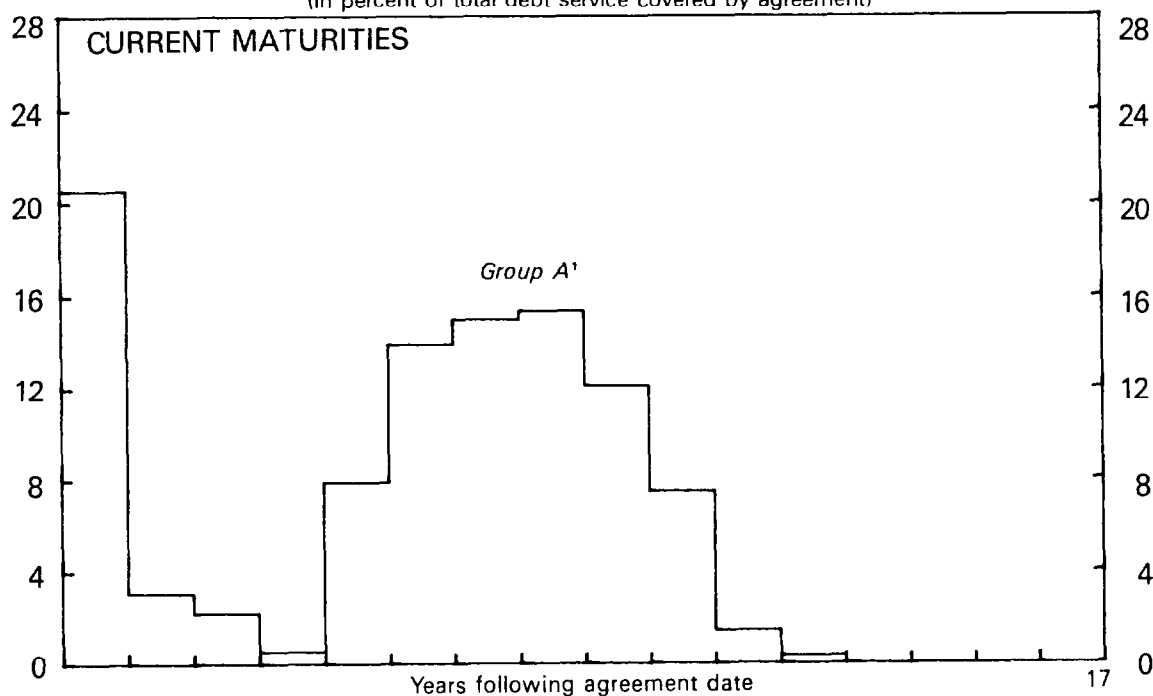


(In percent of total debt service covered by agreement)



Sources: Agreed Minutes of debt reschedulings; and Fund staff estimates.

CHART 5
OFFICIAL MULTILATERAL DEBT
RESCHEDULINGS, 1985-JUNE 1986:
AVERAGE REPAYMENT SCHEDULE BY DEBTOR GROUP
(In percent of total debt service covered by agreement)



Sources: Agreed Minutes of debt reschedulings; and Fund staff estimates.

¹ Group A includes the following: Ecuador (1985), Yugoslavia (1985), Chile (1985), Panama (1985), Yugoslavia (1986), and Côte d'Ivoire (1986). Group B includes all other reschedulings which occurred during the period 1985-June 1986.

special account, as in the case of Zaïre, which had such an account under its last three rescheduling agreements, can help restore confidence.

In the past, there have also been problems in the implementation of the Agreed Minute with respect to private sector debts without the guarantee of debtor governments. Where official creditors have provided cover with respect to commercial risk on loans to private borrowers, they retain that risk under the terms of the original insurance contract. However, since the object of the debt rescheduling is to provide balance of payments relief to the debtor government, creditors will not accept that the rescheduling agreement result in an extension of the commercial risk beyond the original due date of each payment. For private debt determined to be in commercial default, the guarantee is executed, the export credit agency pays the bank or exporter, and the debt is not subject to rescheduling. Otherwise, it is expected that private debtors will be permitted to pay the local currency counterpart of their debt service obligations that have fallen due. Thereafter, the official creditors' claim is on the debtor government under the rescheduling agreement. Beginning with the rescheduling for Argentina in January 1985, creditors have incorporated in the Agreed Minutes for countries where private debt is rescheduled a clause whereby the debtor undertakes to establish the necessary mechanisms to ensure that private debtors can make such local currency payments into the central bank or other appropriate institution on the due dates.

V. Serial Reschedulings

Official creditors have concluded multiyear rescheduling agreements (MYRAs) for Ecuador (April 1985) and Côte d'Ivoire (June 1986). Both official MYRAs cover extended consolidation periods through the implementation of a succession of shorter consolidations (serial reschedulings) which come into effect automatically after certain conditions are satisfied. An extended consolidation period was also provided for in the Agreed Minute for Yugoslavia (May 1986), although in this case the terms of the second stage have not been fully defined and a further meeting between creditors and the debtor would be required for the second stage to take effect.

The granting of extended consolidation periods in official reschedulings, while very exceptional, was not without precedent. In a small number of earlier cases official creditors had also agreed on a commitment to a future rescheduling in one or more subsequent years. In such cases of "conditional further rescheduling," it was agreed at the initial meeting that a subsequent stage of the rescheduling could take effect automatically without a further meeting between creditors and the debtor, provided specified conditions were met. An alternative approach involved the use of an "improved" goodwill clause under which creditors agreed in principle to meet to consider a further rescheduling covering a specified future consolidation period. An example of the first approach was the 1980 agreement with Turkey, while an "improved" goodwill

clause was included in the 1983 agreement with Peru. Under both approaches the conditions for subsequent stages to take effect included a requirement that a new Fund arrangement covering the relevant period be in place or that the conditions under which the country could purchase during successive years of a two- or three-year Fund arrangement had been established by the Executive Board of the Fund. The "improved" goodwill clause represents a more specific commitment to a future rescheduling than does the standard goodwill clause since it establishes at the outset some of the rescheduling terms and the length of the future consolidation. Official creditors used these same two types of serial rescheduling clauses in the three recent agreements that provided for extended consolidation periods.

Developments in the international economic environment after 1982 led creditors to consider carefully the circumstances under which extended consolidations might contribute to normalizing debtor/creditor relations. In particular, it was foreseen that there might be circumstances where a country had achieved significant progress in its domestic and external adjustment but was confronted with a bunching of amortization payments so sizable as to prevent a resumption of spontaneous lending. In such circumstances, it was considered that the granting of an extended consolidation period could facilitate the return to normal access to commercial credits, including officially supported export credits. Indeed, the three-year consolidation granted for Turkey in 1980, and successfully implemented, appeared to have played such a role.

In view of these objectives, creditors decided to define fairly precisely the criteria for granting extended consolidations in these new circumstances. Given that this approach was intended only for countries that had already made substantial progress in their adjustment efforts, it was considered that the debtor country should normally be in a position to finance its current account without resort to concerted "new money"; the Paris Club effectively provides "new money" when it reschedules interest. Second, it was considered that the criterion of capacity to return to market financing by the end of the extended consolidation period would imply that the percentage of principal rescheduled should decline over the consolidation period in line with the expected progressive transition to commercial financing.

Given that extended consolidation periods were envisioned only in cases where a strong adjustment performance had been demonstrated and there was no longer a need for recourse to exceptional net new money, it was recognized that such extended consolidations would not normally be associated with a prolonged use of Fund resources. Creditors, nevertheless, considered it important in these cases that the Fund continue to be involved in advising and assisting a country in the design of its economic program, that the Fund monitor developments under the program, and that information on the program and its implementation, as well as the Fund's assessment of the situation, be made available to creditors on a timely basis.

In defining the monitoring procedures they would require for the period of an extended consolidation, official creditors took note of the new enhanced surveillance procedures that had been developed by the Fund. Enhanced surveillance was originally instituted to facilitate commercial bank MYRAs in cases in which they were needed to pave the way for a return to spontaneous financing for debtor countries that had shown a record of adjustment. It involves supplemental Fund staff visits to the debtor country and supplemental staff reports and discussions of these reports by the Executive Board of the Fund, with particular focus on performance under a quantified financial program prepared by the country's authorities and presenting a comprehensive description of the major macroeconomic objectives and the policies to be followed to achieve them. The country is authorized to release the staff reports to its creditor banks in order that creditors may use these reports as an input to their decisions on lending operations. The reports reflect only the staff's views and would not contain any reference to the discussions and views of the Executive Board. Official creditors have taken into account these enhanced surveillance procedures in the recent cases where they have granted extended consolidation periods to debtor countries. 1/

a. Ecuador (1985)

The multiyear official rescheduling agreement for Ecuador took the form of a three-stage conditional further rescheduling, where each stage becomes effective without a further Paris Club meeting if certain conditions are met. Prior to the Paris Club meeting at which the serial rescheduling was agreed, the Executive Board of the Fund had approved a stand-by arrangement for Ecuador for the 12 months through March 1986. The Ecuadoran authorities had, moreover, indicated to their creditors their intention to seek a subsequent one-year stand-by arrangement when the existing one expired, and the second tranche of the Paris Club MYRA for Ecuador was made conditional, inter alia, on Ecuador having an upper credit tranche Fund arrangement expiring not sooner than March 1987. The third tranche of the rescheduling was, however, conditioned either upon Ecuador having a Fund arrangement effective through December 1987 or upon specified Fund surveillance procedures. Under the latter option, the third tranche of the rescheduling will become effective provided, inter alia, that the participating creditors have reached a positive assessment that Ecuador "has set forth in the process of consultation with the Fund, and is implementing, a comprehensive and satisfactory economic program, including quantitative quarterly targets and limits, covering the period up to December 1987." The Agreed Minute also notes that "In making their assessment, the participating creditor countries will have available both the staff report indicating whether

1/ The Executive Board will have had an opportunity to discuss the first staff paper under enhanced Article IV surveillance for Yugoslavia prior to discussion of the present paper.

Ecuador's program advances the adjustment effort implemented in the previous stand-by programs and the Fund Managing Director's summary of the Board discussions." The Paris Club agreement for Ecuador provides for the rescheduling of principal falling due over a three-year period, with the percentage rescheduled declining from 100 percent in 1985 to 85 percent in 1986 and to 70 percent in 1987. ^{1/}

b. Côte d'Ivoire (1986)

Paris Club creditors agreed in June 1986 to a multiyear rescheduling for Côte d'Ivoire covering a three-year consolidation period ending December 1988. The agreement was preceded by the approval by the Executive Board of the Fund of a stand-by arrangement for Côte d'Ivoire for the 24-month period through June 1988.

As in the case of Ecuador, the MYRA for Côte d'Ivoire consisted of a three-stage conditional further rescheduling where every stage is implemented automatically if certain conditions are met. The first and second stages required, inter alia, that Côte d'Ivoire continue to have an arrangement with the Fund in the upper credit tranches expiring not sooner than June 1988. The third stage of the rescheduling was made conditional either upon Côte d'Ivoire having an upper credit tranche arrangement expiring not sooner than December 1988 or on the implementation of a satisfactory economic program developed in consultation with the Fund. The Agreed Minute for Côte d'Ivoire incorporates language almost identical to that cited above for Ecuador, except that it is specified that the economic program should include "macroeconomic and structural policies." Furthermore, in interpreting this language, creditors took note of the fact that the authorities of Côte d'Ivoire intended to set forth their annual program for 1988 in the context of the final review under the stand-by arrangement, which is to be completed by January 1988, and that the regular consultation discussions which were expected to take place in June 1988 could provide an opportunity for the Fund's Executive Directors to review progress in implementing that program.

The rescheduling agreement for Côte d'Ivoire also contemplates the possibility of calling a further meeting to extend the consolidation period through calendar 1989 if the country's external financial situation warrants such consideration at that time, and provided certain conditions are met. As mentioned above, this alternative approach ("improved" goodwill clause) for granting extended consolidation periods had been used before by official creditors. It differs from the

^{1/} As noted earlier, official creditors had in 1980 granted Turkey a three-stage, three-year consolidation. However, the Turkish agreement was made conditional on Turkey implementing its program undertaken with the support of a three-year upper credit tranche stand-by arrangement with the Fund, and covered 90 percent of both principal and interest payments in the three years of the rescheduling.

rescheduling under a MYRA on two counts. First, it requires a further meeting to approve the subsequent consolidation period. Second, some of the rescheduling terms for that stage of the consolidation are not determined at the outset and must be agreed with the debtor at the time of the future meeting. This contrasts with the automatic implementation allowed for in the case of serial reschedulings within the framework of an official MYRA where all rescheduling terms for the different consolidation stages are clearly specified at the outset and, if all the conditions are met, no further meeting with the debtor is necessary for future stages to take effect.

The rescheduling agreement for Côte d'Ivoire covers principal only, with the rescheduling percentage decreasing from 80 percent in 1986, to 70 percent in 1987 and to 60 percent in 1988. In the event of a restructuring covering 1989, the improved goodwill clause specifies that it will cover 50 percent of principal due on the same debts as covered by the MYRA. This in effect implies that, if the 1989 rescheduling were to take place, creditors would maintain the cutoff date unchanged. The rescheduling percentages agreed upon for 1986-89 are identical to those agreed in principle between Côte d'Ivoire and the steering committee of commercial bank creditors for the same period. The pursuit of comparability of treatment with bank creditors in this case was a key factor in the decision regarding the rescheduling percentages agreed to by official creditors. Although the official MYRA only covers three years, with an "improved" goodwill clause for the fourth, while the bank MYRA covers four years, official creditors noted that in other respects, particularly the grace period, their agreement with Côte d'Ivoire was more generous than that of the banks.

c. Yugoslavia (1986)

The restructuring agreement for Yugoslavia represented the first case in more than a decade where official creditors concluded a multi-lateral official rescheduling agreement for a Fund member without an upper credit tranche arrangement with the Fund in place. ^{1/} The possibility of agreeing to a rescheduling for Yugoslavia without a link to a Fund-supported adjustment program was already contemplated in the goodwill clause of the 1985 Agreed Minute for Yugoslavia, where it was stated:

In response to the request of the Government of the Socialist Federal Republic of Yugoslavia, the participating creditor countries expressed willingness to remain involved in the process of the medium-term adjustment program of Yugoslavia provided that the Socialist Federal Republic of Yugoslavia will continue to have an appropriate relationship with the

^{1/} An exception was Mozambique which had become a Fund member only a few days prior to the 1984 Paris Club meeting and did not have a Fund arrangement in place at the time of the rescheduling.

IMF. The Socialist Federal Republic of Yugoslavia proposed that this arrangement should take the form of enhanced monitoring; participating creditor countries were willing to consider this idea.

The 1986 agreement with Yugoslavia covers a 12-month consolidation period and foresees extending the consolidation period for an additional ten and a half months if certain conditions are met; a further meeting would be necessary to determine the percentage of principal to be rescheduled in the second stage. For both the first and the possible second stage of the consolidation, the agreement is conditional upon Fund enhanced surveillance and, again, the wording in the Agreed Minute is essentially similar to that cited above for Ecuador except that specific reference is made to "structural reform policies." In the Agreed Minute, official creditors also noted the Yugoslav authorities' objective of resuming regular debt payments no later than 1989 and expressed their willingness to remain involved until then in Yugoslavia's process of medium-term adjustment. This could involve the scheduling of a future meeting to cover maturities falling due between April 1, 1988 and December 31, 1988 which would be conditional, inter alia, on Yugoslavia having an "appropriate relationship" with the Fund.

In deciding to agree to enhanced surveillance as an acceptable basis for a rescheduling in this case, official creditors took note of Yugoslavia's long record of Fund-supported adjustment programs; during the 1980s, Yugoslavia had entered into a series of upper credit tranche arrangements with the Fund spanning a practically uninterrupted six-year period starting June 1980. Official creditors considered it important that Yugoslavia had made all the scheduled purchases under the stand-by arrangement that expired on May 15, 1986 and had implemented its previous rescheduling agreements.

Aware of the precedent-setting nature of the rescheduling being considered, official creditors initialed the Agreed Minute on April 17, 1986 and made final signature subject to ratification by creditor governments of the adequacy of the monitoring arrangements incorporated in the rescheduling agreement. Yugoslavia had obtained in March 1986 approval by the Executive Board of the Fund for enhanced surveillance procedures. On May 12, 1986 the Executive Board of the Fund discussed the conclusions reached in Paris between official creditors and the Yugoslav authorities. Executive Directors reaffirmed their previously granted approval of two Executive Board discussions a year which, in their view, should provide adequate scope for creditors to monitor the performance of the Yugoslav economy along the lines contained in the understandings on enhanced surveillance reached between them and the Yugoslav authorities. It was also agreed that the sense of the Executive Board discussions, captured in the Managing Director's summing up, together with the relevant staff reports would be made available to the Chairman of the group of creditors. Following the outcome of this discussion, on May 13, 1986 official creditors proceeded to the signature of the Agreed Minute on the consolidation of Yugoslavia's debt.

The agreement for Yugoslavia covers principal only, with the percentage rescheduled declining from 85 percent for the 12-month period ending on May 15, 1987 to an as yet unspecified smaller amount in the subsequent period through March 31, 1988. Creditors will meet again to determine the percentage of principal to be rescheduled during the second stage of the consolidation, subject to the satisfactory compliance by Yugoslavia with all the relevant preconditions for that meeting.

Undertakings were also reached between creditors and the Yugoslav authorities regarding the form that bilateral agreements could take in this particular case of serial rescheduling. It was mentioned that most creditor countries would be ready to consider the possibility of negotiating bilateral agreements covering a consolidation period through March 31, 1988, with the period from May 16, 1987 through March 31, 1988 being conditional on the multilateral implementation of the second stage of the consolidation.

VI. Comparability of Treatment

Paris Club negotiations have given special consideration to the principle that the debtor should seek comparable treatment from its various creditors and with respect to all types of debt, and comparability provisions have long been a standard feature in Paris Club Agreed Minutes. By and large, creditors fall into one of four broad categories: multilateral lending institutions, official creditors participating in the Paris Club, nonparticipating official creditors, and private creditors, including commercial banks and nonguaranteed suppliers. Paris Club creditors expect the debtor to negotiate comparable reschedulings with all other creditor groups to which it has significant debt service obligations, with the exception of multilateral lending institutions, whose preferential status has long been accepted by official creditors.

The objective of seeking equitable burden sharing among participating official creditors is at the heart of the multilateral approach of the Paris Club and is formally reflected in the access clause of Agreed Minutes. As mentioned in Section IV, the Agreed Minute specifies the common rescheduling and repayment terms (with the exception of the interest rate) which the representatives of participating creditor countries agree to recommend to their governments in the negotiation of the bilateral agreements that implement the rescheduling with the debtor country. The access clause ensures participating creditor countries access to all bilateral agreements, and calls on them to report to the Chairman of the Paris Club the date of the signature of their bilateral agreements, the interest rates, and the amounts of debt involved in the rescheduling.

All recent Agreed Minutes also contain an initiative clause and a most-favored-nation clause intended to ensure comparable treatment with

nonparticipating official and private creditors. The initiative clause commits the debtor to seek to secure from public and private creditors a comparable rescheduling for credits of comparable maturity. Comparability vis-à-vis nonparticipating creditor countries is further emphasized through the most-favored-nation clause, whereby the debtor explicitly agrees to accord creditor countries not participating in the Agreed Minute treatment no more favorable than that accorded to Paris Club creditors.

The specific formulation of the comparability provisions has changed over time, as Paris Club creditors have focused on different elements which in their view were necessary for the effective implementation of such provisions within the changing environment of international lending. Since the end-1970s the initiative clause has contained a specific reference to banks and since mid-1983 it has also become standard practice to incorporate an explicit reference to non-guaranteed suppliers. Official creditors have underscored the importance they attach to these comparability provisions by introducing into the goodwill clause a stipulation indicating that the completion of effective arrangements with other creditors will be a precondition for a subsequent rescheduling. Issues and difficulties that have arisen with respect to comparability of treatment are discussed in the following sections.

1. Issues vis-à-vis nonparticipating creditors 1/

a. Nonparticipating official creditors

Paris Club negotiations are open to all governments that have extended credit to the debtor country. Although in the past the participants have mostly been industrial countries, more recently developing countries have participated as creditors in a small but increasing number of reschedulings (Appendix I, Table 2). Through the most-favored-nation clause, Paris Club creditors have expressed, strongly and precisely, the importance they attach to the debtor obtaining comparable treatment from those official creditors not participating in the Paris Club. Paris Club creditors have also reaffirmed that comparability provisions apply to service on all types of debt, including untied concessional development assistance and loans repayable in commodities. Failure of the debtor country to comply with these provisions has in practice influenced Paris Club creditors' attitudes toward the terms of subsequent reschedulings.

It is recognized that creditor countries face diverse legal and institutional constraints. For example, certain government agencies may be bound by provisions that explicitly prohibit rescheduling. For these

1/ Background information on comparability of treatment vis-à-vis nonparticipating creditors is contained in SM/85/62 (2/20/85) and Supplement I (3/1/85).

reasons, Paris Club creditors have noted that it is not the form the restructuring of debt service obligations takes, e.g., rescheduling versus refinancing, but rather the effective debt relief actually provided that is relevant for assessing comparable action. Paris Club creditors have underscored, however, that refinancing loans must provide equivalent untied cash relief within the relevant consolidation period. For this reason, disbursements from loans tied to project financing or to imports do not qualify as refinancing flows for purposes of establishing comparable action. Paris Club creditors generally continue to make such disbursements in addition to providing debt relief through rescheduling.

The failure of a debtor country to conclude rescheduling agreements with creditors not participating in the Paris Club can have implications for its performance under a Fund arrangement. The Fund regards the conclusion of the multilateral Agreed Minute of the Paris Club as a satisfactory basis for determining, with respect to the financing of a program, that the debt relief from official creditors has been obtained, and any associated payments arrears eliminated. ^{1/} In the case where some official creditors decide not to be represented in the Paris Club, the Fund takes into account that such creditors could seek a bilateral agreement on the same terms, and within the same time limit (the bilateral deadline), as specified in the Paris Club Agreed Minute. The Fund judges on a case-by-case basis the implications for payments arrears under the program of failure to conclude bilateral agreements with Paris Club creditors as well as with official creditors not participating in the Paris Club by the stipulated date, taking into account whether the debtor country has made its best efforts to comply with the bilateral deadline. Therefore, while the enforcement of the principle of comparable treatment is a matter among creditors, the Fund takes into account the actions of all creditors when assessing the viability of, and progress under, a Fund-supported program. ^{2/} Also, debtor countries, in formulating their requests to various creditors, have found it to be important that those requests be based on the principle of comparable treatment.

b. Banks

Banks also seek to secure comparable action from other creditors, particularly from official creditors, in the case of a country requesting debt relief or concerted financing. Efforts by both groups to ensure comparability of treatment are evidenced by the parallel pace of

^{1/} For purposes of Fund jurisdiction under Articles VIII and XIV, however, the restriction entailed in the payments arrears continues until eliminated pursuant to final agreement between the interested parties.

^{2/} See The Role of the Fund in the Settlement of Disputes Between Members Relating to External Financial Obligations (SM/84/89, 4/25/84) and the Acting Chairman's summing up of EBM/84/99, 6/22/84.

bank and official debt restructurings. During the last year and a half, each instance of official rescheduling has been preceded or followed by discussions on a bank debt restructuring, except in cases where external debt owed to banks was negligible or where banks had previously provided a comprehensive rescheduling agreement covering an extended consolidation period (Appendix I, Table 6). Similarly, banks have restructured debts for some countries that had only small obligations to official creditors and did not intend to seek a Paris Club. Banks have also rescheduled without a parallel Paris Club agreement in some cases where the country did not have a Fund-supported program.

A key difficulty in the implementation of comparability of treatment between bank and official creditors lies in defining what does or should constitute equitable burden sharing. Banks and official creditors have focused on different indicators to assess comparable action, but it is generally recognized that standardized ratios or formulas cannot capture the broad range of factors that need to be taken into account in any assessment of equitable burden sharing. Official creditors and banks operate in different environments, which result in a different approach to the provision of financial assistance to a debtor country. Typically, Paris Club creditors reschedule part of both principal and interest falling due during the consolidation period. By contrast, banks have almost without exception rescheduled varying percentages of principal only. Banks have, however, in many cases contributed to the financing of a debtor's adjustment program by agreeing to provide specified amounts of new credits; official creditors consider that such "new money" constitutes action comparable to the rescheduling of interest by the Paris Club. The increased willingness of official creditors to provide new export credits and cover for countries that have rescheduled their debts and are undertaking successful adjustment efforts is a development which, as discussed further below, has implications for the assessment of comparability of treatment.

c. Nonguaranteed suppliers

In addition to debt owed to commercial banks and official creditors, a debtor country usually also has obligations to nonbank creditors abroad, comprising mainly private suppliers of goods and services without the guarantee of official creditor agencies. The amounts owed to these creditors tend to be small, both in relation to amounts owed to the other main creditor groups and in relation to the debtor's overall financing needs. However, as debt servicing difficulties became more acute after mid-1982, attention was focused on the foreign exchange required to continue servicing nonguaranteed suppliers credits (NSC) in cases where such obligations were large, and on the consequent greater burden this implied for other creditors. In particular, Paris Club creditors have in recent years emphasized the importance they attach to seeking comparable action from nonguaranteed suppliers and, as mentioned above, since 1983 the initiative and the goodwill clauses have incorporated an explicit reference to this effect.

The available country experience has demonstrated that the achievement of comparability of treatment with nonguaranteed suppliers raises complex practical issues. In most cases, the number of suppliers is large, each holding relatively small claims, located in various countries and facing different legal and financial constraints. Moreover, available information on these obligations is considered deficient for virtually all of the debtor countries, and the administrative costs of setting up a framework to restructure such debt service could be so high as to outweigh the potential savings in foreign exchange. For these reasons, the majority of countries that have had Paris Club reschedulings have opted either to remain current on these obligations or, when substantial arrears had accumulated, to settle them as part of an overall plan for the phased elimination of arrears. ^{1/} However, for a few debtor countries where such obligations were large, a systematic restructuring of NSC obligations was considered to be a necessary step in the regularization of the country's external payments position. In marked contrast to reschedulings with banks or with official creditors, where there exists an established framework or set of procedures to reschedule debt service, when NSC obligations have been restructured, the reschedulings have taken a variety of forms.

During the last year and a half, the rescheduling of nonguaranteed suppliers credits was sought by only four debtor countries out of the 23 that had Paris Club reschedulings. In three of these cases (Côte d'Ivoire (1985), Guinea (1986), and Zaïre (1986)) a multilateral approach was taken, while such debt was rescheduled unilaterally in the case of Argentina (1985). In all three cases of multilateral NSC reschedulings, repayment terms were negotiated with only a small number of suppliers which consisted of those who had accepted the invitation to take part in the negotiations and who had a negotiating mandate. In the case of Zaïre, for example, where a multilateral rescheduling was sought simultaneously with nonguaranteed suppliers, banks not participating in the broader-based commercial bank rescheduling (London Club), and one official creditor not participating in the Paris Club, only six out of a total of 20 creditors involved attended the multilateral negotiation and only three had a negotiating mandate. A similar poor attendance of creditors with negotiating mandate was evidenced in the cases of Côte d'Ivoire and Guinea.

Concerning comparability of terms with other creditor groups, generalizations cannot be made since available information is confined to the terms officially offered. In the case of Côte d'Ivoire, creditors were offered a choice of accepting the terms multilaterally agreed with foreign commercial banks or proposing an alternative involving a shorter grace and maturity and, in exchange, a lower interest rate. In the case

^{1/} A detailed discussion of the different approaches adopted by debtor countries to deal with nonguaranteed suppliers' credits and a review of recent country experiences is provided in Supplement 1 (3/1/85) to SM/85/62.

of Zaïre, minimum grace, maturity and rescheduling coefficients were established representing ex ante a somewhat more favorable treatment for the creditor than what was agreed with the Paris Club, but no guidelines were set with regard to interest rates. Finally, in the case of the unilateral rescheduling by Argentina, the authorities offered the same rescheduling terms as agreed upon with foreign commercial banks for the rescheduling of similar maturities.

2. Recent developments

There have been two recent developments regarding comparability of treatment. First, Paris Club creditors have established new procedures to help determine ex post if the debtor has succeeded in securing debt relief from other creditors and, if so, whether the rescheduling terms accorded to other creditors constitute comparable action. In particular, in recent cases where creditors have expressed their agreement in principle to a future rescheduling of debt service payments for the debtor country, they have established as a precondition for that meeting to take place that the debtor report in writing to the Chairman of the Paris Club on the content of all bilateral agreements concluded with other creditors. This condition was first introduced in the goodwill clause of the Agreed Minute for Mauritania (1985) and was subsequently applied to 10 of the 15 countries whose agreements contained a goodwill clause (Appendix I, Table 5).

Second, there have been developments with respect to officially supported export credits that would need to be taken into account in a full assessment of comparable action as between official and bank creditors. As discussed in Export Credits - Development and Prospects (SM/86/10, 1/14/86), the recent tendency to closer alignment of export credit and cover policy with progress in adjustment by the debtor country should result in increased credit flows to selected rescheduling countries. While recognizing that no individual export credit agency can project the volume of demand it will face for credits and cover for a particular debtor country, let alone target specific export credit amounts, greater transparency in cover policies, taken together with an assessment of possible demand for export credits given the level and composition of imports projected during a financial program, could facilitate the estimation at the aggregate level of projected export credit flows. Also, improvements now underway in various statistical series on export credits will permit a better ex post analysis of the volume of officially supported export credit flows. These developments can open new options with regard to assessing official creditors' contribution to the solution of the debtors' external payments difficulties. This would, in turn, allow official creditors to consider from a broader perspective the more suitable form of financial assistance for a given debtor country and, in particular, the mix between rescheduling and new export credits which would appear appropriate for each case.

Glossary of Selected Terms in Official
Multilateral Debt Reschedulings

Agreed Minute--The terms agreed upon in the multilateral rescheduling meeting are embodied in an Agreed Minute. The Minute normally specifies the coverage of debt service payments to be consolidated, the cutoff date, the consolidation period, the proportion of payments to be rescheduled, the provisions regarding the downpayment, and the repayment schedule for both the rescheduled and deferred debt. Delegates to the meeting undertake to recommend to their governments the incorporation of these terms in the bilateral agreements that implement the rescheduling.

Arrears--unpaid amounts that fell due before the beginning of the consolidation period.

Bilateral Agreements--agreements reached bilaterally between the debtor country and agencies in each of the participating creditor countries establishing the legal basis of the debt restructuring as set forth in the Agreed Minute. Bilateral agreements normally specify the interest rate on amounts deferred or rescheduled (moratorium interest), which is agreed bilaterally between the debtor and each creditor.

Bilateral deadline--the date by which all of the bilateral agreements must be concluded. The period for concluding bilateral agreements is now generally six to seven months from the date of the Agreed Minute.

Conditional further rescheduling--See below, "multiyear rescheduling agreement."

Consolidation period--the period in which debt service payments to be consolidated or rescheduled under the terms applicable to current maturities have fallen or will fall due. The beginning of the consolidation period may precede, coincide with, or come after the date of the Agreed Minute.

Current maturities--principal and interest payments falling due within the consolidation period.

Cutoff date--the date before which loans must have been contracted in order for their debt service to be covered by the rescheduling. Decisions about whether to include in an agreement debt service due under previous multilateral official reschedulings are made independently of whether those previous agreements were before or after the cutoff date.

Cutoff interval--the number of months between the cutoff date and the beginning of the consolidation period.

"De minimis" clause--the provision whereby creditor countries whose claims that would be covered by the rescheduling agreement total to less

than a specified amount are excluded from the rescheduling agreement. In the past, the de minimis amount was set at around SDR 1 million, but since 1983 about one half of the agreements have provided for limits of SDR 500,000 or SDR 250,000. In the case of the two MYRAs granted as of June 1986 the de minimis amount for the three-year consolidation period was set at SDR 1.5 million. The debtor is expected to pay all claims excluded by this clause. Overdue claims are to be paid as soon as possible, and in any case by a date specified in the Agreed Minute.

Deferred payments--see "postponed maturities" below.

Downpayment--In this paper, downpayment refers to payments falling due within the consolidation period on debts covered by the agreement.

Effectively rescheduled portion--the proportion of total payments covered by the rescheduling agreement that are rescheduled or otherwise deferred until after the end of the consolidation period.

Goodwill clause--refers to creditors' willingness as expressed in the Agreed Minute to meet to consider further debt relief in the future, subject to fulfillment by the debtor country of certain specified conditions.

Grace period and maturity--Paris Club Agreed Minutes specify the first and last payment dates, but do not refer to the length of the grace period or to the maturity. In this paper, grace periods and maturity on rescheduled current maturities are counted from the end of the consolidation period. In the case of the rescheduling of arrears and late interest on arrears, they are measured from the beginning of the consolidation period.

Improved goodwill clause--refers to a provision in the Agreed Minute whereby creditors agree to meet with the debtor country to consider a further rescheduling covering a specified future consolidation period, provided certain conditions are met. It represents a stronger degree of commitment on the part of creditors to a future rescheduling than the standard goodwill clause since it specifies at the outset some of the rescheduling terms and the exact length of the future consolidation period. As in the case of official MYRAs, a rescheduling agreement with an improved goodwill clause covers an extended consolidation period through the implementation of successive shorter consolidations (serial reschedulings). However, this type of agreement differs from a MYRA in that a further meeting is required to approve the subsequent consolidation period. Some of the rescheduling terms for the second stage are not determined at the outset and must be agreed between creditors and the debtor at the time of the second meeting. This contrasts with the semiautomatic implementation provided for in the case of official MYRAs (see below).

Initiative clause--the standard undertaking in the Agreed Minute that the debtor country will seek to restructure debts owed to other creditors on terms comparable to those outlined in the Agreed Minute. This clause appears as one of the general recommendations and reads:

In order to secure comparable treatment of public and private external creditors on their debts, the Delegation of [debtor country] stated that their Government will seek to secure from external creditors, including banks and suppliers, rescheduling or refinancing arrangements on terms comparable to those set forth in this Agreed Minute for credits of comparable maturity, making sure to avoid inequity between different categories of creditors.

Late interest--interest accrued on principal and interest in arrears.

Maturity--grace period plus repayment period.

Moratorium interest--see "bilateral agreements" above.

Most-favored-nation clause--the standard undertaking in the Agreed Minute whereby the debtor country agrees not to accord to creditor countries that did not participate in the multilateral agreement repayment terms more favorable than those accorded to the participating creditor countries for the consolidation of debts of comparable term.

Multiyear rescheduling agreement (MYRA)--MYRAs granted by official creditors cover consolidation periods of two or more years through the implementation of a succession of shorter consolidations (serial reschedulings) which come into effect automatically after certain conditions are satisfied. To this effect, the Agreed Minute includes a "conditional further rescheduling" provision which sets forth the terms of the rescheduling for payments that fall due in specified subsequent future periods, and the conditions for such a rescheduling to become effective without a further Paris Club meeting. The implementation of each stage requires only a decision by creditors that the relevant conditions have been met. The objective of a MYRA is to help rebuild normal debtor-creditor relations in cases of countries that have recorded significant domestic and external adjustment. Such agreements have, therefore, tapered the amount of debt relief over the sequential stages of the MYRA and excluded interest from the rescheduling. They have also specified monitoring provisions for the part of the consolidation where it was not necessarily foreseen that a Fund arrangement would be in place.

Postponed maturities--unconsolidated debt service obligations covered by the rescheduling agreement whose payment is postponed until after the end of the consolidation period.

Serial rescheduling--see "multiyear rescheduling agreement" and "improved goodwill clause" above.

Special account--an account established under some Agreed Minutes by the debtor country with the central bank of one of the participating creditor countries into which monthly deposits of an agreed amount are made. The total amount to be deposited usually approximates the amounts estimated to be payable to all participating creditors during the year; the debtor country draws on the account as bilateral implementing agreements are signed and specific payments under these agreements became due.

Table 2. Official Multilateral Debt Reschedulings, 1976-June 1986

--Creditor Countries Participating--

Country ^{1/}	Number of Reschedulings in which the Country Participated		
	1976-1982	1983-June 1986	Total
<u>Industrial countries</u>			
France	27	53	80
United States	25	53	78
Germany, Federal Republic of	28	48	76
United Kingdom	26	50	76
Italy	27	47	74
Belgium	23	37	60
Japan	20	37	57
Netherlands	21	35	56
Switzerland	19	36	55
Austria	13	40	53
Canada	17	36	53
Spain	10	40	50
Sweden	19	29	48
Norway	12	25	37
Denmark	8	15	23
Finland	5	8	13
Australia	2	1	3
New Zealand	0	2	2
<u>Developing countries</u>			
South Africa	1	6	7
Brazil	0	6	6
Israel	0	6	6
Kuwait	0	3	3
Mexico	0	2	2
Portugal	0	2	2
UAE	2	0	2
Argentina	0	1	1
Morocco	0	1	1

Source: Agreed Minutes of debt reschedulings.

^{1/} Country classifications correspond to those used in the World Economic Outlook (WEO), IMF, April 1986.

Table 3. Official Multilateral Debt Reschedulings, 1985-June 1986

--Forum and Consolidation Period--

	Debtor Country	Date of Agreement	Forum	Number of Participating Creditors	Consolidation Period
1985	Argentina I	Jan. 16, 1985	Paris Club	16	01/01/85-12/31/85
	Senegal IV	Jan. 18, 1985	Paris Club	11	01/01/85-06/30/86
	Somalia I	Mar. 6, 1985	Paris Club	5	01/01/85-12/31/85
	Costa Rica II	Apr. 22, 1985	Paris Club	10	01/01/85-03/31/86
	Ecuador II 1/	Apr. 24, 1985	Paris Club	13	01/01/85-12/31/87
	Mauritania I	Apr. 27, 1985	Paris Club	8	01/01/85-03/31/86
	Domin. Rep. I	May 21, 1985	Paris Club	7	01/01/85-04/01/86
	Madagascar IV	May 22, 1985	Paris Club	13	01/01/85-03/31/86
	Yugoslavia II	May 24, 1985	Creditor Group	16	01/01/85-05/15/86
	Togo V	June 24, 1985	Paris Club	8	05/01/85-04/30/86
	Côte d'Ivoire II	June 25, 1985	Paris Club	12	01/01/85-12/31/85
	Poland II	July 15, 1985	Creditor Group	17	01/01/82-12/31/84
	Chile I	July 17, 1985	Creditor Group	7	07/01/85-12/31/86
	Jamaica II	July 19, 1985	Paris Club	6	04/01/85-03/31/86
	Eq. Guinea I	July 22, 1985	Paris Club	3	01/01/85-06/30/86
	Morocco II	Sept. 17, 1985	Paris Club	11	09/01/85-02/28/87
	Zaire VII	Sept. 18, 1985	Paris Club	11	01/01/85-03/31/86
	Panama I	Sept. 19, 1985	Paris Club	7	09/15/85-12/31/86
	Poland III	Nov. 19, 1985	Creditor Group	17	01/01/85-12/31/85
	Niger III	Nov. 21, 1985	Paris Club	4	12/01/85-12/04/86
	C.A.R. III	Nov. 22, 1985	Paris Club	7	07/01/85-12/31/86
1986	Zambia III	Mar. 4, 1986	Paris Club	13	01/01/86-12/31/86
	Guinea I	Apr. 18, 1986	Paris Club	12	01/01/86-02/28/87
	Yugoslavia III	May 13, 1986	Creditor Group	16	05/16/86-05/15/87
	Zaire VIII	May 15, 1986	Paris Club	11	04/01/86-03/31/87
	Mauritania II	May 16, 1986	Paris Club	8	04/01/86-03/31/87
	Côte d'Ivoire III 1/	June 27, 1986	Paris Club	12	01/01/86-12/31/88

Source: Agreed Minutes of debt reschedulings.

1/ Includes three one-year consolidation periods of the multiyear restructuring agreement (MYRA).





Table 4. Official Multilateral Debt Reschedulings, 1985-June 1986

--Types of Debt Covered--

(Yes, if covered; no, otherwise; "...", if not applicable)

Country	Medium- and Long-Term Debt				Short-Term Debt				Previously Rescheduled Debt	Private Sector Debt
	Current maturities		Arrears		Current maturities		Arrears			
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest		
1985										
Argentina I	Yes	Yes	Yes	Yes	No	No	No	No	...	Yes
Senegal IV	Yes	Yes	Yes	Yes	No	No	No	No	...	No
Somalia I	Yes	Yes	Yes	Yes	No	No	Yes	Yes	...	Yes
Costa Rica II	Yes	Yes	Yes	Yes	No	No	No	No	No	Yes
Ecuador II	Yes	No	Yes	No	No	No	No	No	No	Yes
Mauritania I	Yes	Yes	Yes	Yes	No	No	No	No	...	Yes
Dominican Rep. I	Yes	Yes	Yes	Yes	No	No	No	No	...	Yes
Madagascar IV	Yes	Yes	No	No	No	No	No	No	Yes	Yes
Yugoslavia II	Yes	No	No	No	No	No	No	No	No	Yes
Togo V	Yes	Yes	No	No	No	No	No	No	No	No
Côte d'Ivoire II	Yes	Yes	No	No	No	No	No	No	No	No
Poland II 2/	Yes	Yes	Yes	Yes	No	No	No	No	No	Yes
Chile I	Yes	No	No	No	No	No	No	No	...	No
Jamaica II	Yes	Yes	No	No	No	No	No	No	No	No
Eq. Guinea I 2/	Yes	Yes	Yes	Yes	No	No	No	No	...	No
Morocco II	Yes	Yes	Yes	Yes	No	No	No	No	No	No
Zaire VII	Yes	Yes	No	No	No	No	No	No	Yes	Yes
Panama I	Yes	No	No	No	No	No	No	No	...	No
Poland III	Yes	Yes	No	No	No	No	No	No	No	Yes
Niger III	Yes	Yes	No	No	No	No	No	No	No	Yes
G.A.P. III	Yes	Yes	No	No	No	No	No	No	Yes	No
1986										
Zambia III	Yes	Yes	Yes	Yes	No	No	No	No	Yes 1/	Yes
Guinea I 2/	Yes	Yes	Yes	Yes	No	No	No	No	Yes 3/	No
Yugoslavia III	Yes	No	No	No	No	No	No	No	No	Yes
Zaire VIII	Yes	Yes	No	No	No	No	No	No	Yes	Yes
Mauritania II	Yes	Yes	No	No	No	No	No	No	No	Yes
Côte d'Ivoire III	Yes	No	No	No	No	No	No	No	No	No

Source: Agreed Minutes of debt reschedulings.

1/ Also arrears on previously rescheduled debt.

2/ Also late interest.

3/ Previously rescheduled debt in this case refers to debt previously rescheduled outside multilateral fora with official creditors.

Table 5. Official Multilateral Debt Reschedulings, 1985-June 1986

--Special Provisions--

				Goodwill Clause 1/		
	Date of Multilateral Agreement	Bilateral Deadline	Deposits in Special Account	Goodwill clause included	Written report on comparability of treatment required	Future cutoff date Specified
1985						
Argentina I	1/16/85	6/30/85	No	No	...	...
Senegal IV	1/18/85	8/31/85	No	Yes	No	No
Somalia I	3/06/85	6/30/85	Yes	No	...	...
Costa Rica II	4/22/85	11/30/85	No	Yes	No	Yes
Ecuador II	4/24/85	12/31/85	No	No	...	...
Mauritania I	4/27/85	12/31/85	No	Yes	Yes	Yes
Domin. Rep. I	5/21/85	12/31/85	No	Yes	Yes	Yes
Madagascar IV	5/22/85	12/31/85	Yes	Yes	Yes	Yes
Yugoslavia II	5/24/85	12/31/85	No	Yes	No	No
Togo V	6/24/85	1/31/86	No	Yes	Yes	No
Côte d'Ivoire II	6/25/85	1/31/86	No	No	...	...
Poland II	7/15/85	9/30/85	Yes	Yes	No	No
Chile I	7/17/85	2/28/86	No	No	...	...
Jamaica II	7/19/85	2/28/86	No	Yes	Yes	Yes
Eq. Guinea II	7/22/85	12/31/85	Yes	No	...	...
Morocco II	9/17/85	4/30/86	No	Yes	Yes	Yes
Zaire VII	9/18/85	12/31/85	Yes	No	...	...
Panama I	9/19/85	4/30/86	No	No	...	...
Poland III	11/19/85	4/30/86	Yes	Yes	No	Yes
Niger III	11/21/85	7/31/86	No	Yes	Yes	No
C.A.R. III	11/22/85	5/31/86	No	No	...	...
1986						
Zambia III	3/04/86	10/31/86	Yes	Yes	Yes	Yes
Guinea I	4/18/86	12/31/86	Yes	Yes	Yes	Yes
Yugoslavia III	5/13/86	2/28/87	No	Yes	No	Yes
Zaire VIII	5/15/86	7/31/86	Yes	Yes	Yes	Yes
Mauritania II	5/16/86	8/31/86	No	Yes	Yes	Yes
Côte d'Ivoire III	6/27/86	1/31/87	No	Yes	No	Yes

Source: Agreed Minutes of debt reschedulings.

1/ "..." indicates: not applicable.

Table 6. Official Multilateral Debt Reschedulings, 1985-June 1986

--Parallel Bank Rescheduling Agreements--

	Date of Official Multilateral Agreement	Commercial Bank Rescheduling		
		Relative importance of commercial bank debt <u>1/</u>	Date of parallel bank agreement	Date of prior bank agreement
1985 Argentina I	1/16/85	S	8/85	...
Senegal IV	1/18/85	S	5/85	2/84
Somalia I	3/06/85	N	...	...
Costa Rica II	4/22/85	S	5/85	9/83
Ecuador II	4/24/85	S	12/85	10/83
Mauritania I	4/27/85	N	...	...
Dominican Rep. I	5/21/85	S	2/86	12/83
Madagascar IV	5/22/85	S	12/85 <u>2/</u>	10/84
Yugoslavia II	5/24/85	S	12/85	5/84
Togo V	6/24/85	S	... <u>3/</u>	10/83
Côte d'Ivoire II	6/25/85	S	3/85	...
Poland II	7/15/85	S	... <u>3/</u>	7/84
Chile I	7/14/85	S	11/85	11/84
Jamaica I	7/19/85	S	9/85 <u>4/</u>	6/84
Equatorial Guinea I	7/22/85	N	...	...
Morocco II	9/17/85	S	...	2/86
Zaire VII	9/18/85	S	5/85 <u>5/</u>	6/84 <u>5/</u>
Panama I	9/19/85	S	10/85	...
Poland III	11/19/85	S	... <u>3/</u>	7/84
Niger III	11/21/85	S	...	3/84
C.A.R. III	11/22/85	N	...	...
1986 Zambia III	3/04/86	S	...	12/84
Guinea I	4/18/86	N	...	...
Yugoslavia III	5/13/86	S	12/85	5/84
Zaire VIII	5/15/86	S	5/86 <u>5/</u>	5/85 <u>5/</u>
Mauritania II	5/16/86	N	...	...
Côte d'Ivoire III	6/27/86	S	5/86 <u>4/</u>	3/85

Sources: Restructuring agreements; and Fund staff.

1/ N = not significant; S = significant. For purposes of this paper, debt to commercial banks is not significant if it represents less than 10 percent of total nonmultilateral external debt of the debtor country.

2/ Rephasing of previous agreement.

3/ Previous bank agreement provided a comprehensive restructuring of obligations.

4/ Agreed in principle with Steering Committee.

5/ Deferment agreement.

Table 7. Official Multilateral Debt Reschedulings, 1976-June 1986 1/

(Cumulative consolidation period)

Country	Consolidation Periods for Current Maturities Under Successive Agreements (Agreement)								Cumula- tive Number of Months <u>2/</u>	Number of Agree- ments
	I	II	III	IV	V	VI	VII	VIII		
	(months)									
Mexico	6								6	1
Argentina	12								12	1
Mozambique	12								12	1
Somalia	12								12	1
Guinea	14								14	1
Dominican Rep.	15								15	1
Panama	16								16	1
Brazil	17								17	1
Chile	18								18	1
Eq. Guinea	18								18	1
Philippines	18								18	1
Malawi	12	12							24	2
Romania	12	12							24	2
Uganda	12	12							24	2
Jamaica	15	12							27	2
Mauritania	15	12							27	2
Costa Rica	18	15							33	2
Morocco	16	18							34	2
Ecuador	12	36							48	2
Zambia	12	12	12						36	3
Niger	12	14	12						38	3
Peru	12	12	15						39	3
Sierra Leone	12	16	12						40	3
Yugoslavia	12	17	12						41	3
C.A.R.	12	12	18						42	3
Côte d'Ivoire	13	12	36						61	3
Turkey	13	12	36						61	3
Poland	8	36	12						56	3
Senegal	12	12	12	18					54	4
Liberia	18	18	12	12					60	4
Madagascar	18	12	18	15					63	4
Sudan	21	18	12	12					63	4
Togo	21	24	12	16	12				85	5
Zaire	18	12 <u>3/</u>	6 <u>3/</u>	18	12	12	15	12	87	8

Source: Agreed Minutes of debt reschedulings.

1/ Excluding Gabon because the rescheduling involved only arrears.

2/ Excludes that portion of any consolidation period which overlaps with the consolidation period of prior agreements.

3/ Consolidation period overlaps with the consolidation period of previous agreements.

Table 8. Official Multilateral Debt Reschedulings, 1976-June 1986

--Previously Rescheduled Debt (PRD)--

	Number of Agreements Involving Two or More Reschedulings Since 1975	Consolidations Involving PRD	
		Agreements	Portion of debt service falling due on PRD included in the consolidation
1976-82	13	Turkey III, 1980	All
1983-84	17	Sudan III, 1983	All
		Togo III, 1983	All
		Zaire VI, 1983	All
		Sierra Leone III, 1984	All
		Madagascar III, 1984	All
		Sudan IV, 1984	Practically all: Only excludes one half of interest on debt rescheduled in 1983.
		Togo IV, 1984	Part: Excludes maturities on debt rescheduled in 1981 and 1983.
1985 to June 1986 ^{1/}	18	Zambia II, 1984	All
		Madagascar IV, 1985	Part: excludes maturities on debt rescheduled in 1984
		Zaire VII, 1985	Part: excludes maturities on debt rescheduled in 1983
		C.A.R. III, 1985	Part: excludes maturities on debt rescheduled in 1983
		Zambia III, 1986	All
		Zaire VIII, 1986	Part: excludes maturities on debt rescheduled in 1985 and some of the maturities on debt rescheduled in 1983.

Source: Agreed Minutes of debt reschedulings.

^{1/} Excludes the rescheduling with Guinea (1986), which covered debt previously rescheduled outside multilateral fora with official creditors.

Table 9. Official Multilateral Debt Reschedulings, 1985-June 1986

--Cutoff Date--

Country	Cutoff Date	Number of Months Prior to		Change in Cutoff Date <u>1/</u>
		Date of Agreement	Beginning of consolidation period	
1985				
Argentina I	12/10/83	12	13	...
Senegal IV	1/01/83	24 1/2	24	No
Somalia I	10/01/84	5	3	...
Costa Rica II	7/01/82	34	30	No
Ecuador II	1/01/83	28	24 <u>2/</u>	No
Mauritania I	12/31/84	4	--	...
Dominican Republic I	6/30/84	11	6	...
Madagascar IV	7/01/83	23	18	No
Yugoslavia II	12/02/82	30	25	No
Togo V	1/01/83	30	28	No
Côte d'Ivoire II	7/01/83	24	18	No
Poland II	1/01/84	18 1/2	(24) <u>3/</u>	No
Chile I	1/01/85	6 1/2	6	...
Jamaica II	10/01/83	22	18	No
Equatorial Guinea I	7/01/84	13	12	...
Morocco II	5/01/83	28 1/2	28	No
Zaire VII	6/30/83	23	18	No
Panama I	1/01/85	9	8 1/2	...
Poland III	1/01/84	22 1/2	12	No
Niger III	7/01/83	29	29	No
C.A.R. III	1/01/83	35	30	No
1986				
Zambia III	1/01/83	38	36	No
Guinea I	1/01/86	3 1/2	--	...
Yugoslavia III	12/02/82	41	41 1/2	No
Zaire VIII	6/30/83	34 1/2	33	No
Mauritania II	12/31/84	16 1/2	15	No
Côte d'Ivoire III	7/01/83	36	30 <u>2/</u>	No

Source: Agreed Minutes of debt reschedulings.

1/ Not applicable (...) if no rescheduling since 1975.2/ To beginning date of first of three consecutive one-year consolidation periods.3/ Consolidation period covers 36 months and beginning of consolidation period precedes rather than follows cutoff date.

Table 10. Official Multilateral Debt Reschedulings, 1976-1985 ¹

--Average Repayment Terms for Current Maturities--

	Number of Agree- ments	Down- payment (percent)	Postponement of Unconsolidated Maturities			Formally Resche	
			Proportion of total repayments (percent)	Average grace period (months)	Average maturity (months)	Proportion of total repayments (percent)	Ave gra per (ye
1976	1	--	15.0	12.0	24.0	85.0	1
1977	3	11.3	6.3	6.0	30.0	82.5	2
1978	3	35.0	2.5	3.0	3.0	62.5	2
1979	4	10.6	4.4	4.0	16.0	85.0	3
1980	3	1.7	8.3	4.0	36.0	90.0	4
1981	8	6.1	5.8	10.0	31.0	88.1	4
1982	6	6.2	8.0	10.8	30.0	85.8	3
1983	16	10.9	7.2	9.0	23.6	81.9	4
1984	13	10.7	4.3	8.1	27.0	85.0	4
1985	21	8.5	4.4	6.4	32.0	87.1	4
<u>Averages</u>							
1976-85		10.1	6.6	7.3	25.3	83.3	3
Of which:							
1976-82		10.1	7.2	7.1	24.3	82.7	2
1983-84		10.8	5.8	8.6	25.3	83.5	4
1985		8.5	4.4	6.4	32.0	87.1	4

Source: Agreed Minutes of debt reschedulings.

^{1/} Medium- and long-term debt only. Excludes debt service not covered by the agreement. All reschedulings carry equal weight in their relevant periods. Grace maturity measured from end of consolidation period.

Source

^{1/}
Exclud
equal
consol

Table 11. Official Multilateral Debt Reschedulings, 1976-1985 1/

--Average Repayment Terms for Current Principal--

Number of Agree- ments	Down- payment (percent)	Postponement of Unconsolidated Maturities			Formally Rescheduled Portion		
		Proportion of total repayments (percent)	Average grace period (months)	Average maturity (months)	Proportion of total repayments (percent)	Average grace period (years)	Average maturity (years)
1	--	15.0	12.0	24.0	85.0	1.0	7.5
3	10.0	7.5	12.0	36.0	82.5	2.3	8.5
3	12.5	2.5	3.0	3.0	85.0	2.0	6.5
4	10.6	4.4	4.0	16.0	85.0	3.1	8.6
3	1.7	8.3	4.0	36.0	90.0	4.0	8.8
8	6.1	5.8	10.0	31.0	88.1	4.0	8.6
6	6.2	8.0	10.8	30.0	85.8	3.9	8.1
16	5.6	6.9	9.0	23.6	87.5	4.1	8.6
13	1.7	2.5	9.0	29.0	95.8	4.8	9.6
21	5.9	3.7	6.4	32.0	90.5	4.3	9.1
<u>S</u>	6.0	6.5	8.0	26.1	87.5	3.4	8.4
ich:							
6-82	6.7	7.4	8.0	25.1	85.9	2.9	8.1
3-84	3.7	4.7	9.0	26.3	91.7	4.5	9.1
5	5.9	3.7	6.4	32.0	90.5	4.3	9.1

e: Agreed Minutes of debt reschedulings.

rescheduling terms for principal payments on medium- and long-term debt only.
s debt service not covered by the rescheduling agreement. All reschedulings carry
eight in their relevant periods. Grace period and maturity measured from end of
dation period.

Table 12. Official Multilateral Debt Reschedulings, 1976-1985 ^{1/}

--Average Repayment Terms for Current Interest--

	Number of Agree- ments	Down- payment (percent)	Postponement of Unconsolidated Maturities			Formally Reschedule	
			Proportion of total repayments (percent)	Average grace period (months)	Average maturity (months)	Proportion of total repayments (percent)	Average grace period (years)
1976	1	--	--	--	--	--	--
1977	3	12.5	5.0	--	24.0	82.5	2.3
1978	3	15.0	5.0	3.0	3.0	80.0	2.0
1979	4	10.6	4.4	4.0	16.0	85.0	3.1
1980	3	1.7	8.3	4.0	36.0	90.0	4.0
1981	8	6.1	5.8	10.0	31.0	88.1	4.0
1982	6	6.2	8.0	10.8	30.0	85.8	3.9
1983	16	4.3	8.6	8.8	24.5	87.1	4.2
1984	13	12.9	6.6	8.1	27.0	80.4	4.8
1985	21	7.2	6.3	6.4	32.0	86.5	4.5
<u>Averages</u> 1976-85		8.5	6.4	6.9	24.8	85.0	3.6
Of which:							
1976-82		8.7	6.1	6.4	23.3	85.2	3.2
1983-84		8.6	7.6	8.5	25.8	83.8	4.5
1985		7.2	6.3	6.4	32.0	86.5	4.5

Source: Agreed Minutes of debt reschedulings.

^{1/} Rescheduling terms for interest payments on medium- and long-term debt only. debt service not covered by the rescheduling agreement. All reschedulings carry e in their relevant periods. Grace period and maturity measured from end of consoli period.

Table 13. Official Multilateral Debt Reschedulings, 1985-June 1986

--Repayment Terms: Current Maturities-- 1/

	Down- payment (percent)	Postponement of Unconsolidated Portion			Formally Rescheduled Portion		
		Proportion in total (percent)	Grace period 2/ (months)	Maturity 2/ (months)	Proportion in total (percent)	Grace period 2/ (years)	Maturity 2/ (years)
5							
Argentina I	2.0	8.0	12	48	90.0	5	9 6/12
Senegal IV	--	5.0	1	37	95.0	3 9/12	8 3/12
Somalia I	--	5.0	6	42	95.0	5	9 6/12
Costa Rica II	--	10.0	2	26	90.0	4 11/12	9 5/12
Ecuador II 3/4/	--	--	--	--	100.0	3	7 6/12
	15.0	--	--	--	85.0	3	7 6/12
	30.0	--	--	--	70.0	3	7 6/12
Mauritania I	2.5	7.5	12	36	90.0	3 9/12	8 3/12
Dominican Rep. I	--	10.0	3	39	90.0	4 11/12	9 5/12
Madagascar IV	--	--	--	--	100.0	4 11/12	10 5/12
Yugoslavia II 3/	10.0	--	--	--	90.0	3 9/12	8 3/12
Togo V	1.0	4.0	5	41	95.0	5	10 6/12
Côte d'Ivoire II							
Principal	--	--	--	--	100.0	4	8 6/12
Interest	50.0	--	--	--	50.0	4	8 6/12
Poland II	--	--	--	--	100.0	5	10 6/12
Chile I 3/	35.0	--	--	--	65.0	2 9/12	6 3/12
Jamaica II							
Principal	--	--	--	--	100.0	4	9 6/12
Interest	50.0	--	--	--	50.0	4	9 6/12
Equatorial Guinea I	--	--	--	--	100.0	4 6/12	9
Morocco II	2.5	7.5	--	12	90.0	3 9/12	8 3/12
Caire VII	2.5	2.5	10	10	95.0	4 11/12	9 5/12
Panama I 3/	50.0	--	--	--	50.0	2 10/12	7 4/12
Poland III	--	--	--	--	100.0	6	10 5/12
Niger III							
Principal	2.5	7.5	7	31	90.0	5 1/12	9 6/12
Interest	12.5	37.5	7	31	50.0	5 1/12	9 6/12
C.A.R. III	--	10.0	6	30	90.0	4 9/12	9 3/12
6							
Gambia III	--	--	--	--	100.0	5	9 6/12
Guinea I	1.7	3.3	12	24	95.0	4 11/12	9 5/12
Yugoslavia III 3/	15.0	--	--	--	85.0	3 11/12	8 5/12
Caire VIII	--	--	--	--	100.0	4	9 6/12
Mauritania II	2.5	2.5	12	12	95.0	4	8 6/12
Côte d'Ivoire III							
Principal 3/4/	20.0	--	--	--	80.0	4 1/12	8 7/12
	30.0	--	--	--	70.0	4 1/12	8 7/12
	40.0	--	--	--	60.0	4 1/12	8 7/12

Source: Agreed Minutes of debt reschedulings.

/ Excludes debt service not covered by the rescheduling agreement.

/ For purposes of this paper, grace period and maturity on rescheduled amounts of current maturities are measured from the end of the consolidation period.

/ Principal only.

/ Multiyear restructuring agreement includes three separate consolidation periods.





Table 14. Official Multilateral Debt Reschedulings, 1985-June 1986

--Repayment Terms: Previously Rescheduled Debt-- 1/

	Down- payment (percent)	Postponement of Unconsolidated Portion			Formally Rescheduled Portion		
		Proportion in total (percent)	Grace period 2/ (months)	Maturity 2/ (months)	Proportion in total (percent)	Grace period 2/ (years)	Maturity 2/ (years)
<u>1985</u>							
Argentina I	--	--	--	--	--	--	--
Senegal IV	--	--	--	--	--	--	--
Somalia I	--	--	--	--	--	--	--
Costa Rica II	--	--	--	--	--	--	--
Ecuador II	--	--	--	--	--	--	--
Mauritania I	--	--	--	--	--	--	--
Dominican Republic I	--	--	--	--	--	--	--
Madagascar IV	--	--	--	--	100.0	4 11/12	10 5/12
Yugoslavia II	--	--	--	--	--	--	--
Togo V	--	--	--	--	--	--	--
Côte d'Ivoire II	--	--	--	--	--	--	--
Poland II	--	--	--	--	--	--	--
Chile I	--	--	--	--	--	--	--
Jamaica II	--	--	--	--	--	--	--
Equatorial Guinea I	--	--	--	--	--	--	--
Morocco II	--	--	--	--	--	--	--
Zaire VII	2.5	2.5	10	10	95.0	4 11/12	9 5/12
Panama I	--	--	--	--	--	--	--
Poland III	--	--	--	--	--	--	--
Niger III	--	--	--	--	--	--	--
C.A.R. III 3/	--	10.0	6	54	90.0	4 9/12	9 3/12
<u>1986</u>							
Zambia III							
Current debt service	--	--	--	--	100.0	5	9 6/12
Arrears	--	--	--	--	100.0	6	10 6/12
Guinea I							
Current debt service	1.7	3.3	12	24	95.0	4 11/12	9 5/12
Arrears	1.7	3.3	14	38	95.0	5	9 6/12
Yugoslavia III	--	--	--	--	--	--	--
Zaire VIII							
Current debt service							
on pre-1983							
reschedulings	--	--	--	--	100.0	4	9 6/12
Interest on 1983							
rescheduling 4/	50.0	--	--	--	50.0	4	9 6/12
Mauritania II	--	--	--	--	--	--	--
Côte d'Ivoire III	--	--	--	--	--	--	--

Source: Agreed Minutes of debt reschedulings.

1/ Excludes debt service not covered by the rescheduling agreement.

2/ For purposes of this paper, grace period and maturity on rescheduled amounts of current maturities are measured from the end of the consolidation period. In the case of arrears, grace and maturity are measured from the beginning of the consolidation period.

3/ Principal only.

4/ Covers only interest due as a result of the consolidations under the Agreed Minute of December 20, 1983, except interest due on the consolidation of:

- maturities relating to a previous consolidation of debt service on short-term debt;
- late interest due as at December 31, 1983 and not paid.

Table 15. Official Multilateral Debt Reschedulings, 1985-June 1986

--Repayment Terms: Arrears-- 1/

	Down- payment (percent)	Postponement of Unconsolidated Portion			Formally Rescheduled Portion		
		Proportion in total (percent)	Grace period <u>2/</u> (months)	Maturity <u>2/</u> (months)	Proportion in total (percent)	Grace period <u>2/</u> (years)	Maturity <u>2/</u> (years)
<u>1985</u>							
Argentina I	8.4	16.6	7	31	75.0	3 7/12	8 1/12
Senegal IV	--	10.0	19	43	90.0	3 1/12	7 1/12
Somalia I							
Short-term	--	--	--	--	100.0	1	4
Medium- and long-term	--	5.0	18	54	95.0	5	9 6/12
Costa Rica II	6.0	4.0	9	29	90.0	4 2/12	8 8/12
Ecuador II 3/	--	--	--	--	100.0	3	7 6/12
Mauritania I	3.4	6.6	15	39	90.0	4	7 6/12
Dominican Republic I	13.5	11.5	12	24	75.0	3	6
Madagascar IV	--	--	--	--	--	--	--
Yugoslavia II	--	--	--	--	--	--	--
Togo V	--	--	--	--	--	--	--
Côte d'Ivoire II	--	--	--	--	--	--	--
Poland II	--	--	--	--	100.0	8	13 6/12
Chile I	--	--	--	--	--	--	--
Jamaica II	--	--	--	--	--	--	--
Equatorial Guinea I	1.0	4.0	12	60	95.0	6	10 6/12
Morocco II	10.0	--	4	16	90.0	4	7
Zaire VII	--	--	--	--	--	--	--
Panama I	--	--	--	--	--	--	--
Poland III	--	--	--	--	--	--	--
Niger III	--	--	--	--	--	--	--
C.A.R. III	--	--	--	--	--	--	--
<u>1986</u>							
Zambia III 4/	--	--	--	--	100.0	6	10 6/12
Guinea I 4/	1.7	3.3	14	38	95.0	5	9 6/12
Yugoslavia III	--	--	--	--	--	--	--
Zaire VIII	--	--	--	--	--	--	--
Mauritania II	--	--	--	--	--	--	--
Côte d'Ivoire III	--	--	--	--	--	--	--

Source: Agreed Minutes of debt reschedulings.

1/ Excludes debt service not covered by the rescheduling agreement.2/ For purposes of this paper, grace period and maturity on rescheduled amounts of arrears are measured from the beginning of the consolidation period.3/ On principal only.4/ Includes arrears on previously rescheduled debt.

Table 16. Official Multilateral Debt Reschedulings, 1985-June 1986

--Repayment Schedule of Amounts Restructured--

(In percent of total payments subject to rescheduling)

	Years Following Agreement Date 1/																
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
1985 2/																	
Argentina I																	
Arrears	8.4	8.3	8.3	7.5	15.0	15.0	15.0	15.0	7.5								
Current debt service	2.0	2.0	2.0	2.0	2.0	9.0	18.0	18.0	18.0	18.0	9.0						
Senegal IV																	
Arrears		5.0	5.0	18.0	18.0	18.0	18.0	18.0									
Current debt service		1.3	1.3	1.2	1.2	19.0	19.0	19.0	19.0	19.0							
Somalia I																	
Arrears 3/	14.3	28.6	28.6	28.5													
Current debt service		1.3	1.3	1.2	1.2	9.5	19.0	19.0	19.0	19.0	9.5						
Costa Rica II																	
Arrears	6.0	4.0		9.0	18.0	18.0	18.0	18.0	9.0								
Current debt service		2.0	4.0	4.0		9.0	18.0	18.0	18.0	18.0	9.0						
Ecuador II																	
Arrears 4/			10.0	20.0	20.0	20.0	20.0	10.0									
Current principal 5/	5.0	10.0		10.0	20.0	20.0	20.0	20.0	10.0								
		10.0	20.0		8.5	17.0	17.0	17.0	17.0	8.5							
						7.0	14.0	14.0	14.0	14.0	7.0						
Mauritania I																	
Arrears	3.34	3.33	3.33	9.0	18.0	18.0	18.0	18.0	9.0								
Current debt service	2.5	2.5	2.5	2.5	9.0	18.0	18.0	18.0	18.0	9.0							
Dominican Republic I																	
Arrears	13.5	11.5	18.8	18.8	18.7	18.7											
Current debt service		2.5	2.5	2.5	2.5	9.0	18.0	18.0	18.0	18.0	9.0						
Madagascar IV																	
Current debt service						8.3	16.7	16.7	16.7	16.7	16.6	8.3					
Previously resched- uled debt						8.3	16.7	16.7	16.7	16.7	16.6	8.3					
Yugoslavia II																	
Current principal	10.0				9.0	18.0	18.0	18.0	18.0	9.0							
Togo V																	
Current debt service	1.0	1.0	1.0	1.0	1.0	7.9	15.9	15.9	15.8	15.8	15.8	7.9					
Côte d'Ivoire II																	
Current principal					10.0	20.0	20.0	20.0	20.0	10.0							
Current interest	50.0				5.0	10.0	10.0	10.0	10.0	5.0							
Poland II																	
Arrears					16.7	16.7	16.7	16.7	16.6	16.6							
Current debt service					16.7	16.7	16.7	16.7	16.6	16.6							
Late interest					16.7	16.7	16.7	16.7	16.6	16.6							
Chile I																	
Current principal	35.0				16.3	16.3	16.2	16.2									
Jamaica II																	
Current principal					10.0	20.0	20.0	20.0	20.0	10.0							
Current interest	50.0				5.0	10.0	10.0	10.0	10.0	5.0							
Equatorial Guinea I																	
Arrears	1.0	1.0	1.0	1.0	1.0	19.0	19.0	19.0	19.0	19.0							
Current debt service						20.0	20.0	20.0	20.0	20.0							
Morocco II																	
Arrears	5.0	5.0		12.9	25.7	25.7	25.7										
Current debt service	5.0	5.0				18.0	18.0	18.0	18.0	18.0							
Zaire VII																	
Current debt service	2.5	2.5				9.5	19.0	19.0	19.0	19.0	9.5						
Previously rescheduled debt	2.5	2.5				9.5	19.0	19.0	19.0	19.0	9.5						

Table 16 (concluded). Official Multilateral Debt Reschedulings, 1985-June 1986

--Repayment Schedule of Amounts Restructured--

(In percent of total payments subject to rescheduling)

		Years Following Agreement Date 1/																
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
Panama I																		
Current principal	50.0					10.0	10.0	10.0	10.0	10.0								
Poland III																		
Current debt service								20.0	20.0	20.0	20.0	20.0						
Niger III																		
Current principal	2.5	2.5	2.5	2.5				18.0	18.0	18.0	18.0	18.0						
Current interest	12.5	12.5	12.5	12.5				10.0	10.0	10.0	10.0	10.0						
G.A.R. III																		
Current debt service		4.0				3.0	12.0	18.0	18.0	18.0	18.0	18.0	9.0					
Previously rescheduled debt 4/		4.0				3.0	12.0	18.0	18.0	18.0	18.0	18.0	9.0					
1986																		
Zambia III																		
Arrears						10.0	20.0	20.0	20.0	20.0	10.0							
Current debt service						10.0	20.0	20.0	20.0	20.0	10.0							
Previously rescheduled debt 6/						10.0	20.0	20.0	20.0	20.0	10.0							
Guinea I																		
Arrears	1.7	1.7	1.6			9.5	19.0	19.0	19.0	19.0	9.5							
Current debt service	1.7	1.7	1.6				9.5	19.0	19.0	19.0	19.0	9.5						
Previously rescheduled debt																		
Current debt service	1.7	1.7	1.6				9.5	19.0	19.0	19.0	19.0	9.5						
Arrears	1.7	1.7	1.6			9.5	19.0	19.0	19.0	19.0	9.5							
Yugoslavia III																		
Current principal	15.0					8.5	17.0	17.0	17.0	17.0	8.5							
Zaire VIII																		
Current debt service						16.7	16.7	16.7	16.7	16.7	16.6	16.6						
Previously rescheduled debt																		
Current debt service						16.7	16.7	16.7	16.7	16.7	16.6	16.6						
Interest 7/	50.0						8.4	8.4	8.3	8.3	8.3	8.3						
Mauritania II																		
Current debt service		2.5	2.5				19.0	19.0	19.0	19.0	19.0							
Côte d'Ivoire III																		
Current principal 5/	20.0					8.0	16.0	16.0	16.0	16.0	8.0							
	15.0	15.0					7.0	14.0	14.0	14.0	14.0	7.0						
		20.0	20.0					6.0	12.0	12.0	12.0	12.0	6.0					

Source: Agreed Minutes of debt reschedulings.

1/ Payments due in each year after the agreement date of the rescheduling. Because grace and maturity periods in this paper are counted from the end of the consolidation period for current maturities and from the beginning of the consolidation period for arrears, they cannot be derived directly from this table.

2/ Unless otherwise indicated, "current debt service" and "arrears" refer only to debt service on medium and long-term maturities.

3/ Includes only short-term.

4/ Includes only principal.

5/ Multivear restructuring agreement includes three separate one-year consolidation periods for due principal.

6/ Includes arrears on previously scheduled debt.

7/ Refers to interest due as a result of the consolidations concluded or to be concluded according to the Agreed Minute, dated December 20, 1983, except interest due on the consolidation of:

- credits having an original maturity of one year or less;
- late interest due as at December 31, 1983 and not paid.

Table 17. Argentina: Date of Agreed Minute: January 16, 1985

Chairmanship--Paris Club

Scope of Debt Relief			Repayment terms 1/		
Type of debt covered	Consolidation period	Estimated or actual amount consolidated (US\$ millions)	Proportion of maturities covered and repayment schedule (In percent)	Grace period (Years)	Maturity = grace + repayment periods (Years)
a. Unpaid principal and interest due on official and officially guaranteed debts, having an original maturity of more than one year, pursuant to a contract or other financial arrangement concluded before 12/10/83	a. 1/01/85-12/31/85 b. Arrears as at 12/31/84	2,040	a. 90--in 10 equal semiannual payments starting 1/1/91 and ending 7/1/95 10--in 5 equal annual payments starting 12/31/85 and ending 12/31/89 b. 75--in 10 equal semiannual payments starting 8/1/88 and ending 2/1/93. 25--with 1/3 due on 8/1/85 and 2/3 due in 4 equal semiannual payments starting 2/1/86 and ending 8/1/87	5 3 7/12	9 6/12 8 1/12
b. Arrears on debts mentioned in a. above					

Undertakings in Agreed Minute						
Implementation of Agreed Minute						
Local currency counterpart	Deposit in special account	Bilateral deadline	Conditions for application of the provisions of the Agreed Minute	Conditions for a meeting to discuss future debt service obligations (goodwill clause)	Period of Stand-By Arrangement	Other Comments
Yes	No	6/30/85	- Continued upper credit tranche Fund arrangement	No goodwill clause	12/28/84-3/27/86 <u>2/</u>	None

1/ For purposes of this paper, grace period and maturity on rescheduled amounts of current maturities are defined to begin at the end of the consolidation period. In the case of arrears and late interest, they are measured from the beginning of the consolidation period.

2/ Period of stand-by arrangement was subsequently extended.

Table 18. Central African Republic: Date of Agreed Minute: November 22, 1985

Chairmanship--Paris Club

Type of debt covered	Scope of Debt Relief		Proportion of maturities covered and repayment schedule (In percent)	Repayment Terms 1/	
	Consolidation period	Estimated or actual amount consolidated (US\$ millions)		Grace period (Years)	Maturity = grace + repayment periods (Years)
a. Unpaid principal and interest due on official and officially guaranteed debts, having an original maturity of more than one year, and which were extended to or guaranteed by the Government of C.A.R., pursuant to a contract or other financial arrangement concluded before 1/01/83	a.,b. 7/01/85-12/31/86	13	90--in 10 equal semiannual payments starting 9/30/91 and ending 3/31/96 10--4%, 3%, and 3%, due on 6/30/87, 6/30/90, and 6/30/91, respectively	4 9/12	9 3/12
b. Unpaid principal due as a result of the previous consolidation dated 6/12/81					
Excludes debt service due as a result of other previous consolidations					

Undertakings in Agreed Minute						
Implementation of Agreed Minute						
Local currency counterpart	Deposit in special account	Bilateral deadline	Conditions for application of the provisions of the Agreed Minute	Conditions for a meeting to discuss future debt service obligations (goodwill clause)	Period or Stand-By Arrangement	Other Comments
No	No	5/31/86	- Continued upper credit tranche fund arrangement	No goodwill clause	9/23/85-3/22/87	None

1/ For purposes of this paper, grace period and maturity on rescheduled amounts of current maturities are defined to begin at the end of the consolidation period. In the case of arrears and late interest, they are measured from the beginning of the consolidation period.

Table 19. Chile: Date of Agreed Minute: July 17, 1985

Chairmanship--Creditor Group

Scope of Debt Relief			Repayment Terms 1/		
Type of debt covered	Consolidation period	Estimated or actual amount consolidated (US\$ millions)	Proportion of maturities covered and repayment schedule (In percent)	Grace period (Years)	Maturity = grace + repayment periods (years)
Unpaid principal due on official and officially guaranteed debts having an original maturity of more than one year, and which were extended to or guaranteed by the Government of Chile or the Chilean public sector, pursuant to a contract or other financial arrangement concluded before 1/01/85	7/1/85-12/31/86	146	65--in 8 equal semiannual payments starting 9/30/89 and ending 3/31/93 35--due as originally scheduled	2 9/12	6 3/12

Undertakings in Agreed Minute						
Implementation of Agreed Minute						
Local currency counter-part	Deposit in special account	Bilateral deadline	Conditions for application of the provisions of the Agreed Minute	Conditions for a meeting to discuss future debt service obligations (goodwill clause)	Period of Stand-By Arrangement	Other Comments
No	No	2/28/86	- Continued upper credit tranche Fund arrangement	No goodwill clause	8/15/85-8/14/88 2/	Includes a "transfer clause" whereby Chile agrees to guarantee the immediate and unrestricted transfer of foreign exchange in all cases where the private sector debtor pays the local currency counter-part for servicing its debt owed to Paris Club creditors

1/ For purposes of this paper, grace period and maturity on rescheduled amounts of current maturities are defined to begin at the end of the consolidation period. In the case of arrears and late interest, they are measured from the beginning of the consolidation period.

2/ In the case of Chile, this is the period of the Extended Fund Facility (EFF).

Table 20. Costa Rica: Date of Agreed Minute: April 22, 1985

Chairmanship--Paris Club

Scope of Debt Relief			Repayment Terms 1/		
Type of debt covered	Consolidation period	Estimated or actual amount consolidated (US\$ millions)	Proportion of maturities covered and repayment schedule (In percent)	Grace period (Years)	Maturity = grace + repayment periods (Years)
a. Unpaid principal and interest due on official and officially guaranteed debts having an original maturity of more than one year pursuant to a contract or other financial arrangement concluded before 7/01/82	a. 1/01/85-3/31/86 b. arrears as at 12/31/84	166	a. 90--in 10 equal semiannual payments starting 2/15/91 and ending 8/15/95 10--2%, 4%, 4% due on 6/01/86, 6/01/87, and 6/01/88, respectively b. 90--in 10 equal semiannual payments starting 2/15/89 and ending 8/15/93 10--3%, 3%, and 4% due on 9/30/85, 12/31/85, and 7/31/86, respectively	4 11/12 4 2/12	9 5/12 8 8/12
b. Arrears on debt service mentioned in a. above					

Undertakings in Agreed Minute						
Implementation of Agreed Minute						
Local currency counterpart	Deposit in special account	Bilateral deadline	Conditions for application of the provisions of the Agreed Minute	Conditions for a meeting to discuss future debt service obligations (goodwill clause)	Period of Stand-By Arrangement	Other Comments
Yes	No	11/30/85	- Continued upper credit tranche Fund arrangement	- Continued upper credit tranche Fund arrangement - Effective arrangements with banks and other creditors meeting the conditions of the MFN and initiative clauses - Compliance with all conditions of this Agreed Minute	3/13/85-4/30/86	Specific reference to an unchanged cutoff date in the event of a future rescheduling

1/ For purposes of this paper, grace period and maturity on rescheduled amounts of current maturities are defined to begin at the end of the consolidation period. In the case of arrears and late interest, they are measured from the beginning of the consolidation period.

Table 21. Côte d'Ivoire: Date of Agreed Minute: June 25, 1985

Chairmanship--Paris Club

Scope of Debt Relief			Proportion of maturities covered and repayment schedule (In percent)	Repayment Terms 1/	
Type of debt covered	Consolidation period	Estimated or actual amount consolidated (US\$ millions)		Grace period (Years)	Maturity = Grace + repayment periods (years)
Unpaid principal and interest due on official and officially guaranteed debts, having an original maturity of more than one year, and which were extended or guaranteed by the Government of Côte d'Ivoire pursuant to a contract or other financial arrangement concluded before 7/1/83	1/01/85-12/31/85	213	100 (of principal) and 50 (of interest)--in 10 equal semiannual payments starting 12/31/89 and ending 6/30/94 50 (of interest)--due as originally scheduled	4	8 6/12
Excludes debts contracted by "Air Afrique," and C.I.M.A.O., the R.A.N., and the "Conseil de l'Entente," and which are guaranteed jointly by the Republic of Côte d'Ivoire and other governments					
Excludes debt service due as a result of the previous consolidation dated 5/4/84					

Undertakings in Agreed Minute						
Implementation of Agreed Minute						
Local currency counterpart	Deposit in special account	Bilateral deadline	Conditions for application of the provisions of the Agreed Minute	Conditions for a meeting to discuss future debt service obligations (goodwill clause)	Period of Stand-By Arrangement	Other Comments
No	No	1/31/86	- Continued upper credit tranche Fund arrangement	No goodwill clause	6/03/85-6/02/86	None

1/ For purposes of this paper, grace period and maturity on rescheduled amounts or current maturities are defined to begin at the end of the consolidation period. In the case of arrears and late interest, they are measured from the beginning of the consolidation period.

Table 22. Côte d'Ivoire: Date of Agreed Minute: June 27, 1986

Chairmanship--Paris Club

Type of debt covered	Scope of Debt Relief		Proportion of maturities covered and repayment schedule (In percent)	Repayment Terms 2/	
	Consolidation period 1/	Estimated or actual amount consolidated (US\$ millions)		Grace period (Years)	Maturity = grace + repayment periods (Years)
Unpaid principal due on official and officially guaranteed debts having an original maturity of more than one year, and which were extended to or guaranteed by the Government of Côte d'Ivoire pursuant to a contract or other financial agreement concluded before 7/1/83	1/1/86-12/31/86	370 3/	80--in 10 equal semiannual payments starting 1/15/91 and ending 7/15/95 20--due as originally scheduled	4 1/12	8 7/12
	1/1/87-12/31/87		70--in 10 equal semiannual payments starting 1/15/92 and ending 7/15/96 30--due as originally scheduled	4 1/12	8 7/12
	1/1/88-12/31/88		60--in 10 equal semiannual payments starting 1/15/93 and ending 7/15/97 40--due as originally scheduled	4 1/12	8 7/12
Excludes debts contracted by "Air Afrique", the C.I.M.A.O., the RAN, and the "Conseil de l'Entente", and which are guaranteed jointly by the Republic of Côte d'Ivoire and other governments. Also excludes debt service due as a result of the previous consolidations dated 5/4/84 and 6/25/85.					

Undertakings in Agreed Minute						
Implementation of Agreed Minute						
Local currency counter-part	Deposit in special account	Bilateral deadline	Conditions for application of the provisions of the Agreed Minute 4/	Conditions for a meeting to discuss future debt service obligations (goodwill clause)	Period of Stand-By Arrangement	Other Comments
No	No	1/31/87	First stage: continued upper credit tranche Fund arrangement Second stage: a. upper credit tranche Fund arrangement expiring no sooner than 6/22/88 b. effective arrangements with banks and other creditors meeting the conditions of the MFN and initiative clauses c. compliance with all conditions of the Agreed Minute concerning the previous stage of the reorganization Third stage: - conditions b. and c. above, and - upper credit tranche Fund arrangement expiring no sooner than 12/31/88 or implementation in consultation with the Fund of a comprehensive and satisfactory economic program including quantitative quarterly targets and limits covering the period up to 12/31/88	"Improved" goodwill clause covering 50% of principal due in 1989 to become effective if the situation warrants such consideration at the time and the following conditions are met: - appropriate relationship with the Fund - effective arrangements with banks and other creditors meeting the conditions of the MFN and initiative clauses - compliance with all conditions of this Agreed Minute	6/23/86 6/22/88	Specific reference to an unchanged cutoff date in the event of a future rescheduling Corresponding bilateral agreements will cover the whole consolidation period up to 12/31/88, but will be implemented pari passu with the different stages of the consolidation

1/ Multiyear rescheduling agreement (MYRA); includes three consecutive 12-month long consolidation periods.

2/ For purposes of this paper, grace period and maturity on rescheduled amounts of current maturities are defined to begin at the end of the consolidation period. In the case of arrears and late interest, they are measured from the beginning of the consolidation period.

3/ Estimated debt relief on obligations falling due over the three-year consolidation period.

4/ Note: The three stages of the consolidation do not correspond to the three one-year consolidation periods. The first stage runs from 1/1/86 to 3/31/87; the second stage from 4/1/87 to 6/30/88; and the third stage from 7/1/88 to 12/31/88.

Table 23. Dominican Republic: Date of Agreed Minute: May 21, 1985

Chairmanship--Paris Club

Scope of Debt Relief				Repay
Type of debt covered	Consolidation period	Estimated or actual amount consolidated (US\$ millions)	Proportion of maturities covered and repayment schedule (in percent)	Grace period (Years)
a. Unpaid principal and interest due on official and officially guaranteed debts having an original maturity of more than one year pursuant to a contract or other financial arrangement concluded before 6/30/84	a. 1/01/85-4/01/86 b. arrears as at 12/31/84	290	a. 90--in 10 equal semiannual payments starting 2/15/91 and ending 8/15/95 10--in 4 equal annual payments starting 6/30/86 and ending 6/30/89 b. 75--in 4 equal annual payments starting 12/31/87 and ending 12/31/90 25--13.5% on 12/31/85 and 11.5% on 12/31/86	4 11/1 3
b. Arrears on debts mentioned in a. above				

Undertakings in Agreed Minute						
Implementation of Agreed Minute						
Local currency counterpart	Deposit in special account	Bilateral deadline	Conditions for application of the provisions of the Agreed Minute	Conditions for a meeting to discuss future debt service obligations (goodwill clause)	Period of Stand-By Arrangement	
Yes	No	12/31/85	- Continued upper credit tranche Fund arrangement	- Continued upper credit tranche Fund arrangement - Effective arrangements with banks and other creditors meeting the conditions of the MFN and initiative clauses - To report in writing on the contents of the bilateral agreements reached with creditors not participating in the Paris Club - Compliance with all conditions of this Agreed Minute	4/15/85-4/14/86	Spec to a cutc ever resc

1/ For purposes of this paper, grace period and maturity on rescheduled amounts of current maturities are at the end of the consolidation period. In the case of arrears and late interest, they are measured from the consolidation period.

Table 24. Ecuador: Date of Agreed Minute: April 24, 1985

Chairmanship--Paris Club

Type of debt covered	Scope of Debt Relief		Proportion of maturities covered and repayment schedule (In percent)	Repayment Terms 2/	
	Consolidation period 1/	Estimated or actual amount consolidated (US\$ millions)		Grace period (Years)	Maturity = grace + repayment periods (Years)
a. Unpaid principal due on official and officially guaranteed debts having an original maturity of more than one year pursuant to a contract or other financial arrangement concluded before 1/1/83	a. 1/1/85-12/31/85	450 3/	a. 100--in 10 equal semiannual payments starting 1/1/89 and ending 7/1/93	3	7 6/12
	1/1/86-12/31/86		85--in 10 equal semiannual payments starting 1/1/90 and ending 7/1/94 15--due as originally scheduled	3	7 6/12
	1/1/87-12/31/87		70--in 10 equal semiannual payments starting 1/1/91 and ending 7/1/95 30--due as originally scheduled	3	7 6/12
	b. arrears as at 12/31/84		b. 100--in 10 equal semiannual payments starting 1/1/88 and ending 7/1/92	3	7 6/12
Excludes debt service due as a result of the previous consolidation dated 7/28/83					

Undertakings in Agreed Minute						
Implementation of Agreed Minute						
Local currency counter-part	Deposit in special account	Bilateral deadline	Conditions for application of the provisions of the Agreed Minute 4/	Conditions for a meeting to discuss future debt service obligations (goodwill clause)	Period of Stand-By Arrangement	Other Comments
Yes	No	12/31/85	First stage: continued upper credit tranche Fund arrangement Second stage: a. upper credit tranche Fund arrangement expiring no sooner than 3/10/87 b. effective arrangements with banks and other creditors meeting the conditions of the MFN and initiative clauses c. compliance with all conditions of the Agreed Minute concerning the previous stages of the reorganization Third stage: - conditions b. and c. above, and - an upper credit tranche Fund arrangement expiring no sooner than 12/31/87 or implementation in consultation with the Fund of a comprehensive and satisfactory economic program including quantitative quarterly targets and limits covering the period up to December 31, 1987	No goodwill clause	3/11/85-3/10/86	Corresponding bilateral agreements will cover the whole consolidation period up to 12/31/87, but will be implemented pari passu with the different stages of the consolidation

1/ Multiyear rescheduling agreement (MYRA); includes three consecutive 12-month long consolidation periods.

2/ For purposes of this paper, grace period and maturity on rescheduled amounts of current maturities are defined to begin at the end of the consolidation period. In the case of arrears and late interest, they are measured from the beginning of the consolidation period.

3/ Estimated debt relief on arrears as at 12/31/84 and on obligations falling due during the three-year consolidation period.

4/ Note: The three stages of the consolidation do not correspond to the three one-year consolidation periods. The first stage runs from 1/1/85 to 5/31/86; the second stage from 6/1/86 to 5/31/87; and the third stage from 6/1/87 to 12/31/87.

Table 25. Equatorial Guinea: Date of Agreed Minute: July 22, 1985

Chairmanship--Paris Club

Scope of Debt Relief			Repayment	
Type of debt covered	Consolidation period	Estimated or actual amount consolidated (US\$ millions)	Proportion of maturities covered and repayment schedule (In percent)	Grace period (Years)
a. Unpaid principal and interest due on official and officially guaranteed debts having an original maturity of more than one year, and which were extended to or guaranteed by the Government of Equatorial Guinea, pursuant to a contract or other financial arrangement concluded before 7/1/84	a. 1/01/85-6/30/86 b. arrears as at 12/31/84 c. late interest charges due as at 12/31/84	30	a. 100--in 10 equal semiannual payments starting 1/01/91 and ending 7/01/95 b.,c. 95--in 10 equal semiannual payments starting 1/01/91 and ending 7/01/95 5--in 5 equal annual payments starting 1/01/86 and ending 1/01/90	4 6/12 6
b. Arrears on debts mentioned in a. above				
c. Late interest due and not paid on debts mentioned in a. above				

Undertakings in Agreed Minute					
Implementation of Agreed Minute					
Local currency counterpart	Deposit in special account	Bilateral deadline	Conditions for application of the provisions of the Agreed Minute	Conditions for a meeting to discuss future debt service obligations (goodwill clause)	Period of Stand-By Arrangement
No	Yes	12/31/85	- Continued upper credit tranche Fund arrangement	No goodwill clause	6/28/85-6/27/86

1/ For purposes of this paper, grace period and maturity on rescheduled amounts of current maturities are determined at the end of the consolidation period. In the case of arrears and late interest, they are measured from the beginning of the consolidation period.

Table 26. Guinea: Date of Agreed Minute: April 18, 1986

Chairmanship--Paris Club

Scope of Debt Relief			Repayment Terms 1/		
Consolidation period	Estimated or actual amount consolidated (US\$ millions)	Proportion of maturities covered and repayment schedule (In percent)	Grace period (Years)	Maturity = grace + repayment periods (Years)	
<p>and principal rest due on and offi- guaranteed aving an maturity of an one year, h were extended guaranteed by rnment of the of Guinea, to a contract financial t concluded /1/86</p> <p>and principal rest due as ult of previous iation agreements</p> <p>rs and late on debts d in a. and b.</p>	a.,b. 1/1/86-2/28/87	196	a.,b. 95--in 10 equal semiannual pay-ments starting 1/31/92 and ending 7/31/96 5--in 3 equal annual payments starting 2/28/87 and ending 2/28/89	4 11/12	9 5/12
	c. arrears and late interest as at 12/31/85		c. 95--in 10 equal semiannual pay-ments starting 12/31/90 and ending 6/30/95 5--in 3 equal annual payments starting 2/28/87 and ending 2/28/89	5	9 6/12

Undertakings in Agreed Minute						
Implementation of Agreed Minute						
Deposit in special account	Bilateral deadline	Conditions for application of the provisions of the Agreed Minute	Conditions for a meeting to discuss future debt service obligations (goodwill clause)	Period of Stand-By Arrangement	Other Comments	
Yes	12/31/86	- Continued upper credit tranche Fund arrangement	- Continued upper credit tranche Fund arrange-ment - Effective arrangements with banks and other creditors meeting the conditions of the IMF and initiative clauses - To report in writing on the contents of the bilateral agreements reached with creditors not participating in the Paris Club - Compliance with all conditions of this Agreed Minute	2/03/86-3/02/87	Specific reference to an unchanged cutoff date in the event of a future rescheduling	

For purposes of this paper, grace period and maturity on rescheduled amounts of current maturities are defined to begin at the start of the consolidation period. In the case of arrears and late interest, they are measured from the beginning of the consolidation period.

Table 27. Jamaica: Date of Agreed Minute: July 19, 1985

Chairmanship--Paris Club

Scope of Debt Relief				Repayment
Type of debt covered	Consolidation period	Estimated or actual amount consolidated (US\$ millions)	Proportion of maturities covered and repayment schedule (In percent)	Grace period (Years)
Unpaid principal and interest due on official and officially guaranteed debts having an original maturity of more than one year, and which were extended to or guaranteed by the Government of Jamaica or the Jamaican public sector, pursuant to a contract or other financial arrangement concluded before 10/1/83	4/01/85-3/31/86	62	100 (of principal) and 50 (of interest)--in 12 equal semiannual payments starting 3/31/90 and ending 9/30/95 50 (of interest)--due as originally scheduled	4
Excludes debt service due as a result of the previous consolidation dated 7/16/84				

Undertakings in Agreed Minute						
Implementation of Agreed Minute						
Local currency counter-part	Deposit in special account	Bilateral deadline	Conditions for application of the provisions of the Agreed Minute	Conditions for a meeting to discuss future debt service obligations (goodwill clause)	Period of Stand-By Arrangement	
No	No	2/28/86	- Continued upper credit tranche Fund arrangement	- Continued upper credit tranche Fund arrangement - Effective arrangements with banks and other creditors meeting the conditions of the MFN and initiative clauses - To report in writing on the contents of the bilateral agreements reached with creditors not participating in the Paris Club - Compliance with all conditions of this Agreed Minute	7/17/85-5/31/87	Specific unchanged the even reschedu Includes clause" agrees to immediat stricted foreign cases wh sector d local cu part for owed to creditor

1/ For purposes of this paper, grace period and maturity on rescheduled amounts of current maturities are at the end of the consolidation period. In the case of arrears and late interest, they are measured from the consolidation period.

Table 28. Madagascar: Date of Agreed Minute: May 22, 1985

Chairmanship--Paris Club

Scope of Debt Relief			Repayment terms 1/		
Consolidation period	Estimated or actual amount consolidated (US\$ millions)	Proportion of maturities covered and repayment schedule (In percent)	Grace period (Years)	Maturity = grace + repayment periods (Years)	
id principal erest due on l and offi- guaranteed having an l maturity of an one year t to a contract r financial ment concluded 7/01/83	a.,b. 1/01/85-3/31/86 128	a.,b. 100--in 12 equal semiannual pay- ments starting 2/15/91 and ending 8/15/96	4 11/12	10 5/12	
id principal and t due as a result of vious consolidations /30/81 and 7/13/82					
s debt service due sult of the previous ation dated 3/23/84					
tly excludes late t charges on a. and b.					

Undertakings in Agreed Minute						
Implementation of Agreed Minute						
Policy part	Deposit in special account	Bilateral deadline	Conditions for application of the provisions of the Agreed Minute	Conditions for a meeting to discuss future debt service obligations (goodwill clause)	Period of Stand-By Arrangement	Other Comments
	Yes	12/31/85	- Continued upper credit tranche Fund arrangement	- Continued upper credit tranche Fund arrangement - Effective arrangements with banks and other creditors meeting the conditions of the MFN and initiative clauses - To report in writing on the contents of the bilateral agreements reached with creditors not participating in the Paris Club - Compliance with all conditions of this Agreed Minute	4/23/85-4/22/86	Specific reference to an unchanged cutoff date in the event of a future rescheduling

For purposes of this paper, grace period and maturity on rescheduled amounts of current maturities are defined to begin at the end of the consolidation period. In the case of arrears and late interest, they are measured from the beginning of the consolidation period.

Table 29. Mauritania: Date of Agreed Minute: April 27, 1985

Chairmanship--Paris Club

Scope of Debt Relief				Repayment
Type of debt covered	Consolidation period	Estimated or actual amount consolidated (US\$ millions)	Proportion of maturities covered and repayment schedule (In percent)	Grace period (Years)
a. Unpaid principal and interest due on official and officially guaranteed debts having an original maturity of more than one year pursuant to a contract or other financial arrangement concluded before 12/31/84	a. 1/01/85-3/31/86 b. arrears as at 12/31/84	74	a. 90--in 10 equal semiannual payments starting 1/01/90 and ending 7/01/94 10--in 4 equal annual payments starting 3/31/86 and ending 3/31/89 b. 90--in 10 equal semiannual payments starting 1/01/89 and ending 7/01/92 10--in 3 equal annual payments starting 3/31/86 and ending 3/31/88	3 9/12 4
b. Arrears on debts mentioned in a. above				

Undertakings in Agreed Minute						
Implementation of Agreed Minute						
Local currency counterpart	Deposit in special account	Bilateral deadline	Conditions for application of the provisions of the Agreed Minute	Conditions for a meeting to discuss future debt service obligations (goodwill clause)	Period of Stand-By Arrangement	
Yes	No	12/31/85	- Continued upper credit tranche Fund arrangement	- Continued upper credit tranche Fund arrangement - Effective arrangements with banks and other creditors meeting the conditions of the MFN and initiative clauses - To report in writing on the contents of the bilateral agreements reached with creditors not participating in the Paris Club - Compliance with all conditions of this Agreed Minute	4/12/85-4/11/86	Spec/ to a cuto event rescl

1/ For purposes of this paper, grace period and maturity on rescheduled amounts of current maturities are at the end of the consolidation period. In the case of arrears and late interest, they are measured from the consolidation period.

Table 30. Mauritania: Date of Agreed Minute: May 16, 1986

Chairmanship--Paris Club

	Scope of Debt Relief			Repayment Terms 1/	
	Consolidation period	Estimated or actual amount consolidated (US\$ millions)	Proportion of maturities covered and repayment schedule (In percent)	Grace period (Years)	Maturity = grace + repayment periods (Years)
principal interest due on all and officially guaranteed having an original maturity less than one year pursuant to contract or other special arrangement concluded 12/31/84	1/04/86-3/31/87	27	95--in 10 equal semiannual payments starting 3/31/91 and ending 9/30/95 5--in 2 equal annual payments starting 3/31/87 and ending 3/31/88	4	8 6/12
res debt service as a result of previous consolidation dated 4/27/85					

Undertakings in Agreed Minute						
Implementation of Agreed Minute						
Agency report	Deposit in special account	Bilateral deadline	Conditions for application of the provisions of the Agreed Minute	Conditions for a meeting to discuss future debt service obligations (goodwill clause)	Period of Stand-by Arrangement	Other Comments
s	No	12/31/86	- Continued upper credit tranche Fund arrangement	- Continued upper credit tranche Fund arrangement - Effective arrangements with banks and other creditors meeting the conditions of the MFN and initiative clauses - To report in writing on the contents of the bilateral agreements reached with creditors not participating in the Paris Club - Compliance with all conditions of this Agreed Minute	4/26/86-4/25/87	Specific reference to an unchanged cutoff date in the event of a future rescheduling

For purposes of this paper, grace period and maturity on rescheduled amounts of current maturities are defined to begin at the end of the consolidation period. In the case of arrears and late interest, they are measured from the beginning of the consolidation period.

Table 31. Morocco: Date of Agreed Minute: September 17, 1985

Chairmanship--Paris Club

Type of debt covered	Scope of Debt Relief		Proportion of maturities covered and repayment schedule (In percent)	Repayme
	Consolidation period	Estimated or actual amount consolidated (US\$ millions)		Grace period (Years)
a. Unpaid principal and interest due on official and officially guaranteed debts having an original maturity of more than one year pursuant to a contract or other financial arrangement concluded before 5/1/83	a. 9/1/85-2/28/87 b. arrears as at 8/31/85	1,124	a. 90--in 10 equal semiannual payments starting 12/1/90 and ending 6/01/95 10--with 2.5% due as originally scheduled, and 5% and 2.5% due on 2/28/87 and 2/28/88, respectively	3 9/12
b. Arrears on debts mentioned in a. above			b. 90--in 7 equal semiannual payments starting 9/01/89 and ending 9/01/92 10--with 2.5% due as originally scheduled, and 2.5% and 5% due on 12/31/85 and 12/31/86, respectively	4
Excludes debt service due as a result of the previous consolidation dated 10/25/83				

Undertakings in Agreed Minute						
Implementation of Agreed Minute						
Local currency counterpart	Deposit in special account	Bilateral deadline	Conditions for application of the provisions of the Agreed Minute	Conditions for a meeting to discuss future debt service obligations (goodwill clause)	Period of Stand-By Arrangement	Other
No	No	4/30/86	- Continued upper credit tranche Fund arrangement	- Continued upper credit Fund arrangement - Effective arrangements with banks and other creditors meeting the conditions of the MFN and initiative clauses - To report in writing on the contents of the bilateral agreements reached with creditors not participating in the Paris Club - Compliance with all conditions of this Agreed Minute	9/12/85-2/28/87	Specific: an uncl date in a futu Include clause' Morocco guarant ate and transi exchange where sector local terpar debts Club c

1/ For purposes of this paper, grace period and maturity on rescheduled amounts of current maturities are determined at the end of the consolidation period. In the case of arrears and late interest, they are measured from the beginning of the consolidation period.

Table 32. Niger: Date of Agreed Minute: November 21, 1985

Chairmanship--Paris Club

	Scope of Debt Relief		Proportion of maturities covered and repayment schedule (In percent)	Repayment Terms 1/	
	Consolidation period	Estimated or actual amount consolidated (US\$ millions)		Grace period (Years)	Maturity = grace + repayment periods (Years)
of principal and interest due on officially guaranteed debts, or an original maturity of more than one year, and which were extended to or guaranteed by the Government of Niger, pursuant to a contract for financial management concluded on 7/1/83	12/01/85-12/04/86	38	90 (of principal) 50 (of interest)--in 10 equal semi-annual payments starting 12/31/91 and ending 6/1/96. 10 (of principal) 50 (of interest)--with one-fourth due as originally scheduled, and 3 equal annual payments starting 6/30/87 and ending 6/30/89	5 1/12	9 6/12
des debt service as a result of previous consolidation dated 11/14/83	1/30/84				

Undertakings in Agreed Minute						
Implementation of Agreed Minute						
Local currency counterpart	Deposit in special account	Bilateral deadline	Conditions for application of the provisions of the Agreed Minute	Conditions for a meeting to discuss future debt service obligations (goodwill clause)	Period of Stand-by Arrangement	Other Comments
No	No	7/31/86	- Continued upper credit tranche Fund arrangement	- Continued upper credit tranche Fund arrangement - Effective arrangements with banks and other creditors meeting the conditions of the MFN and initiative clauses - To report in writing on the contents of the bilateral agreements reached with creditors not participating in the Paris Club - Compliance with all conditions of this Agreed Minute	12/05/85-12/04/86	None

For purposes of this paper, grace period and maturity on rescheduled amounts of current maturities are defined to begin at the end of the consolidation period. In the case of arrears and late interest, they are measured from the beginning of the consolidation period.

Table 33. Panama: Date of Agreed Minute: September 19, 1985

Chairmanship--Paris Club

Scope of Debt Relief				Repay
Type of debt covered	Consolidation period	Estimated or actual amount consolidated (US\$ millions)	Proportion of maturities covered and repayment schedule (In percent)	Grace period (Years)
a. Unpaid principal due on official and officially guaranteed debts having an original maturity of more than one year pursuant to a contract or other financial arrangement concluded before 1/1/85	9/15/85-12/31/86	19	50--in 10 equal semiannual payments starting 11/01/89 and ending 5/01/94 50--due as originally scheduled	2 10/1.

Undertakings in Agreed Minute					
Implementation of Agreed Minute					
Local currency counterpart	Deposit in special account	Bilateral deadline	Conditions for application of the provisions of the Agreed Minute	Conditions for a meeting to discuss future debt service obligations (goodwill clause)	Period of Stand-By Arrangement
No	No	4/30/86	- Continued upper credit tranche Fund arrangement	No goodwill clause	7/15/85-3/31/87

1/ For purposes of this paper, grace period and maturity on rescheduled amounts of current maturities are at the end of the consolidation period. In the case of arrears and late interest, they are measured from the consolidation period.

Type of debt covered

a. Unpaid and interest on officially guaranteed debts having an original maturity of more than one year pursuant to a contract or other financial arrangement concluded before 1/1/85

b. Arrears and interest on

c. Late and not

Excluded due as previously dated 4/30/86, including the financial arrangements therein

Loans currently outstanding

1/ at the consol
2/

Table 34. Poland: Date of Agreed Minute: July 15, 1985

Chairmanship--Creditor Group

Scope of Debt Relief			Repayment Terms 1/		
Consolidation period	Estimated or actual amount consolidated (US\$ millions)	Proportion of maturities covered and repayment schedule (In percent)	Grace period (Years)	Maturity = grace + repayment periods (Years)	
Principal est due on and offi- guaranteed ring an maturity han one year to a contract financial nt concluded /1/84	a. 1/01/82-12/31/84 b. arrears as at 12/31/81 c. late interest charges due as at 12/31/84	10,300 a., c. 100--in 12 equal semiannual pay-ments starting 1/01/90 and ending 7/01/95 b. 100--in 12 equal semiannual pay-ments starting 1/01/90 and ending 7/01/95	5 8	10 6/12 13 6/12	
rs on debts in a. above					
interest due paid on debts in a. above					
debt service result of the consolidation 7/81, includ- bridge 7 referred to					

Undertakings in Agreed Minute						
Implementation of Agreed Minute						
Deposit in special account	Bilateral deadline	Conditions for application of the provisions of the Agreed Minute	Conditions for a meeting to discuss future debt service obligations (goodwill clause)	Period of Stand-By Arrangement	Other Comments	
Yes	9/30/85	- Meeting of 1984 targets listed in the annex to this Agreed Minute	- Effective arrangements with banks and other creditors meeting the conditions of the MFN and initiative clauses - Implementation of policies of economic adjustment and reforms mentioned in the relevant documents, and meeting of 1984 targets listed in the annex to this Agreed Minute	Not applicable 2/	None	

For purposes of this paper, grace period and maturity on rescheduled amounts of current maturities are defined to begin at the start of the consolidation period. In the case of arrears and late interest, they are measured from the beginning of the consolidation period.

and became a member of the Fund on June 12, 1986.

Table 35. Poland: Date of Agreed Minute: November 19, 1985

Chairmanship--Creditor Group

Type of debt covered	Scope of Debt Relief		Proportion of maturities covered and repayment schedule (In percent)	Repayment Grace period (Years)
	Consolidation period	Estimated or actual amount consolidated (US\$ millions)		
a. Unpaid principal and interest due on official and officially guaranteed debts having an original maturity of more than one year pursuant to a contract or other financial arrangement concluded before 1/01/84	1/1/85-12/31/85	1,400	100--in 10 equal semiannual payments starting 1/1/91 and ending 7/1/95	5
Excludes debt service due as a result of the previous consolidations dated 4/27/81 (including bridge financing referred to therein) and 7/15/85				
Explicitly excludes late interest charges on a. above				

Undertakings in Agreed Minute						
Implementation of Agreed Minute						
Local currency counterpart	Deposit in special account	Bilateral deadline	Conditions for application of the provisions of the Agreed Minute	Conditions for a meeting to discuss future debt service obligations (goodwill clause)	Period of Stand-By Arrangement	
No	No	4/30/86	- Meeting of the 1985 targets listed in the annex to this Agreed Minute	- Effective arrangements with banks and other creditors meeting the conditions of the MFN and initiative clauses - Implementation of policies of economic adjustment and reforms mentioned in the relevant documents, and meeting of 1985 targets listed in the annex to the present agreed minute - Compliance with all conditions of the present Agreed Minute - Adoption of an economic program for 1986, and agreement with participating creditor countries on a set of targets comparable to those attached in the annex to this Agreed Minute	Not applicable ^{2/}	Spe to cut eve res

^{1/} For purposes of this paper, grace period and maturity on rescheduled amounts of current maturities are due at the end of the consolidation period. In the case of arrears and late interest, they are measured from the consolidation period.

^{2/} Poland became a Fund member on June 12, 1986.

Table 36. Senegal: Date of Agreed Minute: January 18, 1985

Chairmanship--Paris Club

Description of Debt	Scope of Debt Relief		Proportion of maturities covered and repayment schedule (In percent)	Repayment Terms 1/	
	Consolidation period	Estimated or actual amount consolidated (US\$ millions)		Grace period (Years)	Maturity = grace + repayment period (Years)
<p>paid principal interest due on all and official guaranteed having an original maturity of less than one year, which were issued to or guaranteed by the Government of Senegal, pursuant to a contract for financial agreement concluded on 1/01/83</p> <p>Principal and interest arrears on debts issued in a. above</p> <p>These debts contracted in Senegal and by the "Compagnie pour la Sécurité de Navigation Aérienne," which are guaranteed directly by the Government of Senegal and other governments</p> <p>These debt service arrears as a result of the previous consolidations of 10/13/81, 11/29/82 and 2/21/83</p>	a. 1/01/85-6/30/86	122	a. 95--in 10 equal semiannual payments starting 3/31/90 and ending 9/30/94	3 9/12	8 3/12
	b. Arrears as at 12/31/84		5--in 4 equal annual payments starting 7/31/86 and ending 7/31/89		
			b. 90--in 5 equal annual payments starting 1/31/88 and ending 1/31/92	3 1/12	7 1/12
			10--in 2 equal installments on 7/31/86 and 7/31/87		

Undertakings in Agreed Minute						
Implementation of Agreed Minute						
Local currency counterpart	Deposit in special account	Bilateral deadline	Conditions for application of the provisions of the Agreed Minute	Conditions for a meeting to discuss future debt service obligations (goodwill clause)	Period of Stand-By Arrangement	Other Comments
No	No	8/31/85	- Continued upper credit tranche Fund arrangement	- Continued upper credit tranche Fund arrangement - Effective arrangements with banks and other creditors meeting the conditions of the MFN and initiative clauses - Compliance with all conditions of this Agreed Minute	1/16/85-6/15/86	None

For purposes of this paper, grace period and maturity on rescheduled amounts or current maturities are defined to begin at the end of the consolidation period. In the case of arrears and late interest, they are measured from the beginning of the consolidation period.

Table 37. Somalia: Date of Agreed Minute: March 6, 1985

Chairmanship--Paris Club

Type of debt covered	Scope of Debt Relief		Proportion of maturities covered and repayment schedule (In percent)	Repayment	
	Consolidation period	Estimated or actual amount consolidated (US\$ millions)		Grace period (Years)	
a. Unpaid principal and interest due on official and officially guaranteed debts having an original maturity of more than one year pursuant to a contract or other financial arrangement concluded before 10/1/84	a. 1/01/85-12/31/85 b.,c. arrears as at 12/31/84	127	a. 95--in 10 equal semiannual payments starting 1/1/91 and ending 7/1/95 5--in 4 equal semiannual payments starting 7/1/86 and ending 7/1/89	5	
b. Short-term arrears on debts mentioned in a. above			b. 100--in 7 equal semiannual payments starting 1/1/86 and ending 1/1/89	1	
c. Medium- and long-term arrears on debts mentioned in a. above			c. 95--in 10 equal semiannual payments starting 1/1/91 and ending 7/1/95 5--in 4 equal semiannual payments starting 7/1/86 and ending 7/1/89	6	

Undertakings in Agreed Minute					
Implementation of Agreed Minute					
local currency counterpart	Deposit in special account	Bilateral deadline	Conditions for application of the provisions of the Agreed Minute	Conditions for a meeting to discuss future debt service obligations (goodwill clause)	Period of Stand-By Arrangement
No	Yes	6/30/85	- Continued upper credit tranche Fund arrangement	No goodwill clause	2/22/85-2/21/86 2/

1/ For purposes of this paper, grace period and maturity on rescheduled amounts of current maturities are at the end of the consolidation period. In the case of arrears and late interest, they are measured from the consolidation period.

2/ Period of stand-by arrangement was subsequently extended.

Table 38. Togo: Date of Agreed Minute: June 24, 1985

Chairmanship--Paris Club

Scope of Debt Relief			Repayment Terms 1/		
	Consolidation period	Estimated or actual amount consolidated (US\$ millions)	Proportion of maturities covered and repayment schedule (in percent)	Grace period (Years)	Maturity = grace + repayment periods (Years)
of principal and interest due on officially guaranteed debts, of an original maturity of more than one year, and which were extended to the Government of Togo, pursuant to a contract for financial assistance concluded on 1/01/83	5/1/85-4/30/86	24	95--in 12 equal semiannual payments starting 5/01/91 and ending 11/01/96 5--1% due as originally scheduled, and 4% due in 4 equal payments starting 9/30/86 and ending 9/30/89	5	10 6/12
of debts contracted on C.I.M.A.O. and which were guaranteed jointly by the Government of Togo and other governments					
of debt service due as a result of the rescheduling of the 6/15/79, 2/20/81, 3/3, and 6/6/84					

Undertakings in Agreed Minute						
Implementation of Agreed Minute						
Deposit in special account	Bilateral deadline	Conditions for application of the provisions of the Agreed Minute	Conditions for a meeting to discuss future debt service obligations (goodwill clause)	Period of Stand-By Arrangement	Other Comments	
No	1/31/86	- Continued upper credit tranche Fund arrangement	- Continued upper credit tranche Fund arrangement - Effective arrangements with banks and other creditors meeting the conditions of the MFN and initiative clauses - To report in writing on the contents of the bilateral agreements reached with creditors not participating in the Paris Club - Compliance with all conditions of this Agreed Minute	5/17/85-5/16/86	None	

For purposes of this paper, grace period and maturity on rescheduled amounts of current maturities are defined to begin at the end of the consolidation period. In the case of arrears and late interest, they are measured from the beginning of the consolidation period.

Table 39. Yugoslavia: Date of Agreed Minute: May 24, 1985

Chairmanship--Creditor Group

Type of debt covered	Scope of Debt Relief		Proportion of maturities covered and repayment schedule (In percent)	Repayment
	Consolidation period	Estimated or actual amount consolidated (US\$ millions)		Grace period (Years)
Unpaid principal due on official and officially guaranteed debts having an original maturity of more than one year pursuant to a contract or other financial arrangement concluded before 12/02/82	1/1/85-5/15/86	812	90--in 10 equal semiannual payments starting 3/01/90 and ending 9/01/94 10--due as originally scheduled	3 9/12
Excludes debt service due as a result of credits granted pursuant to the Berne Agreement signed on 1/19/83				
Excludes debt service due as a result of the previous consolidation dated 5/22/84				

Undertakings in Agreed Minute					
Implementation of Agreed Minute					
Local currency counterpart	Deposit in special account	Bilateral deadline	Conditions for application of the provisions of the Agreed Minute	Conditions for a meeting to discuss future debt service obligations (goodwill clause)	Period of Stand-By Arrangement
No	No	12/31/85	- Continued upper credit tranche Fund arrangement	- implementation of measures incorporated in 1985/86 economic program, supported by an IMF stand-by arrangement - continued appropriate relationship with IMF - effective arrangements with banks and other creditors meeting the conditions of the MFN and initiative clauses - compliance with all conditions of this Agreed Minute	5/16/85-5/15/86

1/ For purposes of this paper, grace period and maturity on rescheduled amounts of current maturities are due at the end of the consolidation period. In the case of arrears and late interest, they are measured from the consolidation period.

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Table 40. Yugoslavia: Date of Agreed Minute: May 13, 1986

Chairmanship--Creditor Group

of ed	Scope of Debt Relief		Estimated or actual amount consolidated (US\$ millions)	Proportion of maturities covered and repayment schedule (In percent)	Repayment Terms 1/	
	Consolidation period				Grace period (Years)	Maturity = grace + repayment periods (Years)
1 principal due ficial and offi- y guaranteed debts g an original ity of more than car pursuant to tract or other cial agreement uded before 82	5/16/86-5/15/87		401	85--in 10 equal semiannual pay- ments starting 4/30/91 and ending 10/31/95. 15--due as originally scheduled	3 11/12	8 5/12
Undertakings in Agreed Minute						
Implementation of Agreed Minute						
Deposit in special account	Bilateral deadline	Conditions for application of the provisions of the Agreed Minute	Conditions for a meeting to discuss future debt service obligations (goodwill clause)	Period of Stand-By Arrangement	Other Comments	
No	2/28/87	- Implementation of satisfactory economic and financial program covering period through 12/31/86	"Improved" goodwill clause covering a percent- age of principal falling due during 5/16/87- 3/31/88 to be determined at a future meeting, provided the following conditions are met: a. implementation of a satisfactory program covering the period through 3/31/88 within the framework of enhanced surveillance under Article IV b. effective arrangements with banks and other creditors meeting the conditions of the M&N and initiative clauses c. compliance with all conditions of this Agreed Minute Clause expressing creditors' willingness to remain involved until the end of 1988 in the process of the medium-term adjustment pro- gram of Yugoslavia provided: - conditions a., b. and c. above are met, and - continued appropriate relationship with IMF	Not applicable 2/	Specific reference to an unchanged cutoff date in the event of a future rescheduling covering matur- ities falling due during 5/16/87- 3/31/88.	

For purposes of this paper, grace period and maturity on rescheduled amounts of current maturities are defined to begin at end of the consolidation period. In the case of arrears and late interest, they are measured from the beginning of the liquidation period.

Following a request by the Yugoslav authorities, on March 12, 1986 Executive Directors approved enhanced surveillance measures for Yugoslavia covering the period 5/16/86-12/31/91.

Table 41. Zaïre: Date of Agreed Minute: September 18, 1985

Chairmanship--Paris Club

Scope of Debt Relief			Repayment	
Type of debt covered	Consolidation period	Estimated or actual amount consolidated (US\$ millions)	Proportion of maturities covered and repayment schedule (In percent)	Grace period (Years)
a. Unpaid principal and interest due on official and officially guaranteed debts having an original maturity of more than one year pursuant to a contract or other financial arrangement concluded before 6/30/83	1/01/85-3/31/86	408	95--in 10 equal semiannual payments starting 2/15/91 and ending 8/15/95 5--in 2 equal payments on 3/31/86 and 1/31/87	4 11/12
b. Unpaid principal and interest due as a result of the consolidations dated 6/16/76, 7/7/77, 12/01/77, 12/11/79, and 7/09/81				
Excludes debt service due as a result of the previous consolidation dated 12/20/83				
Explicitly excludes late interest charges on a. and b. above				

Undertakings in Agreed Minute						
Implementation of Agreed Minute						
Local currency counterpart	Deposit in special account	Bilateral deadline	Conditions for application of the provisions of the Agreed Minute	Conditions for a meeting to discuss future debt service obligations (goodwill clause)	Period of Stand-By Arrangement	U Com
Yes	Yes	12/31/85	- Continued upper credit tranche Fund arrangement	No goodwill clause	4/24/85-4/23/86	Explicit in the clause obtainable from whom due w/ payment

1/ For purposes of this paper, grace period and maturity on rescheduled amounts of current maturities are defined at the end of the consolidation period. In the case of arrears and late interest, they are measured from the beginning of the consolidation period.

Table 42. Zaïre: Date of Agreed Minute: May 15, 1986

Chairmanship--Paris Club

Type of Debt Included	Scope of Debt Relief		Repayment Terms 1/		
	Consolidation period	Estimated or actual amount consolidated (US\$ millions)	Proportion of maturities covered and repayment schedule (In percent)	Grace period (Years)	Maturity = Grace + repayment periods (Years)
Unpaid principal and interest due on offi- cial and officially guaranteed debts, including an original maturity of more than one year, pursuant to the Paris Club agree- ment or other financial arrangement concluded before 6/30/83	4/01/86-3/31/87	430	a., b. 100--in 12 equal semiannual payments starting 3/31/91 and ending 9/30/96	4	9 6/12
Unpaid principal and interest due as a result of the consolidations concluded or to be concluded according to Paris Minutes, dated 5/76, 7/7/77, 12/1/77, 11/79, and 7/9/81			c. 50--in 12 equal semiannual payments starting 3/31/91 and ending 9/30/96 50--to be paid according to original schedule	4	9 6/12
Unpaid interest due as a result of the consoli- dations concluded or to be concluded according to Paris Agreed Minute, dated 7/83 2/					
Includes debt service due as a result of the Agreed Minute of 9/18/85					

Undertakings in Agreed Minute						
Implementation of Agreed Minute						
Local Currency Interpart	Deposit in special account	Bilateral deadline	Conditions for application of the provisions of the Agreed Minute	Conditions for a meeting to discuss future debt service obligations (goodwill clause)	Period of Stand-By Arrangement	Other Comments
Yes	Yes	7/31/86	- Stand-by arrangement agreed in principle on 4/28/86 becomes effective - Continued upper credit tranche Fund arrangement	- Continued upper credit tranche Fund arrange- ment - Effective arrangements with banks and other creditors meeting the conditions of the MFN and initiative clauses - To report in writing on the contents of the bilateral agreements reached with creditors not participating in the Paris Club - Compliance with all conditions of this Agreed Minute	3/28/86- 3/27/88	Specific reference to an unchanged cutoff date in the event of a future rescheduling Explicit reference in the initiative clause to Zaïre obtaining comparable debt relief from creditors to whom maturities are due within special pay- ments mechanisms

For purposes of this paper, grace period and maturity on rescheduled amounts of current maturities are defined to begin at the end of the consolidation period. In the case of arrears and late interest, they are measured from the beginning of the consolidation period.

Except that due under the previous consolidation of:

- credits having an original maturity of one year or less;
- late interest due as at 12/31/83 and not paid.

Table 43. Zambia: Date of Agreed Minute: March 4, 1986

Chairmanship--Paris Club

Scope of Debt Relief				Repayment
Type of debt covered	Consolidation period	Estimated or actual amount consolidated (US\$ millions)	Proportion of maturities covered and repayment schedule (In percent)	Grace period (Years)
a. Unpaid principal and interest due on official and officially guaranteed debts having an original maturity of more than year pursuant to a contract or other financial arrangement concluded before 1/01/83	a.,b. 1/01/86-12/31/86 c. arrears as at 12/31/85	371	a.,b. 100--in 10 equal semiannual payments starting 12/31/91 and ending 6/30/96 c. 100--in 10 equal semiannual payments starting 12/31/91 and ending 6/30/96	5 6
b. Unpaid principal and interest due as a result of previous consolidations concluded according to Agreed Minutes dated 5/16/83 and 7/20/84				
c. Arrears on debt mentioned in a. and b. above				
Explicitly excludes late interest charges on a. and b. above				

Undertakings in Agreed Minute						
Implementation of Agreed Minute						
Local currency counterpart	Deposit in special account	Bilateral deadline	Conditions for application of the provisions of the Agreed Minute	Conditions for a meeting to discuss future debt service obligations (goodwill clause)	Period of Stand-By Arrangement	Of Comm.
Yes	Yes	10/31/86	- Continued upper credit tranche Fund arrangement	- Continued upper credit tranche Fund arrangement - Effective arrangements with banks and other creditors meeting the conditions of the MPN and initiative clauses - To report in writing on the contents of the bilateral agreements reached with creditors not participating in the Paris Club - Compliance with all conditions of this Agreed Minute	2/21/86-2/28/88	Specific to an event of resched.

1/ For purposes of this paper, grace period and maturity on rescheduled amounts of current maturities are defined at the end of the consolidation period. In the case of arrears and late interest, they are measured from the beginning of the consolidation period.

