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THE WORLD BANK

Washington, D.C.

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The World Bank

1818 H Street NW

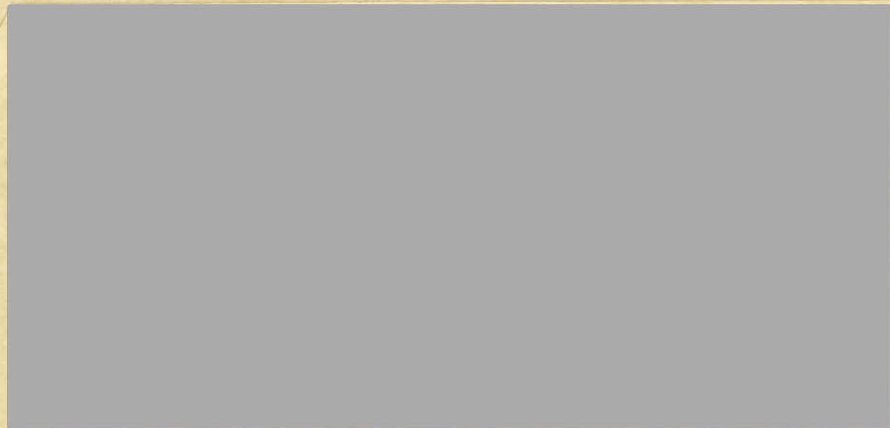
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Conable / Camdessus lunch, May 2, 1990  
08



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J. Volk working files: President Conable / Camdessus, lunches - Lunch 08

How to get to 1

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Hoping we can a low  
priority from Friend

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THE WORLD BANK/IFC/MIGA  
MESSAGES

DATE

4/26

TIME

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TO

JWS

FROM

Joe Wood

DEPT./OFFICE

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EXTENSION

80602

CALLED

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REQUESTS APPOINTMENT

URGENT

REMARKS

- IDA-9 Follow-Up -

"Bank Fund Collaboration"

by June 30 to Bd - doing a series of  
study about

RECEIVED BY

THE WORLD BANK  
Washington, D.C. 20433  
U.S.A.

BARBER B. CONABLE  
President

WORLD BANK/IMF LUNCHEON MEETING

TO BE HELD ON WEDNESDAY, MAY 2, 1:15 P.M.

PRESIDENT'S PRIVATE DINING ROOM

Fund

Messrs. Camdessus  
Erb  
Whittome

Bank

Messrs. Conable  
Qureshi  
Stern  
Stanton  
Thalwitz

1. Arrears

Arrears -- Language on Preferred Creditor Status  
(Development and Interim Committees)  
Arrears Strategy

2. Bank/Fund Collaboration

Strategy for IDA 9 follow up.

3. Country Issues

Nigeria ESAF Eligibility -- External Finance Strategy  
Recommendation for IDA Blend Status  
Honduras ESAF Eligibility  
Ethiopia -- PFP

Country Updates: China, Cote d'Ivoire, Zambia

4. Miscellaneous

Environment Fund  
Eastern Europe

*Mr. Stentor (FYD)*

THE WORLD BANK  
Washington, D.C. 20433  
U.S.A.

BARBER B. CONABLE  
President

April 26, 1990

Mr. Michel Camdessus  
Managing Director  
International Monetary Fund  
Washington, D.C. 20431

Dear Michel:

The question of arrears, which will be discussed in the Interim Committee in the context of arrears to the IMF, is also to be raised in the Development Committee, although in a quite different context. Several countries are expected to note the problems of arrears to the Bank and the regional development banks, with the objective of getting us to organize a review of existing policies on provisioning, suspension of disbursement, etc.

Since the discussion in the Interim Committee is likely to lead to an inclusion in the communique reaffirming the Fund's preferred creditor status, as was done in the Berlin meeting, I would like to use the discussion in the Development Committee to obtain a parallel endorsement of the Bank's preferred creditor status. I attach a draft paragraph we are considering, which I would like to discuss at our lunch next week.

In the sometimes diffused discussion on the communique at the Development Committee luncheon, we may need your support to ensure that the concept is not diluted.

Sincerely,

*Barber Conable*

Attachment

### The Bank's Preferred Creditor Status

The Committee emphasized the special contribution of the World Bank in providing long-term financial assistance to developing countries based on its access to capital markets around the world. The Committee further recognized that the Bank's ability to maintain its access to long-term capital at favorable terms rests on the confidence of these markets that borrowers will continue to give priority to servicing their obligations to the Bank. Accordingly, the Committee stressed the responsibility of all members to lend their active and tangible support to ensure that countries using Bank credit treat the Bank as a preferred creditor.

JU-FF

THE WORLD BANK  
Washington, D.C. 20433  
U.S.A.

BARBER B. CONABLE  
President

April 27, 1990

Mr. Michel Camdessus  
Managing Director  
International Monetary Fund  
Washington, D.C. 20431

Dear Michel:

Included in the Report of the IDA Deputies adopted by our Board is a section on collaboration between IDA and the Fund. A copy of the paragraph is attached for your information.

As you can see, the first part deals with implementation of the March 1989 memorandum. These measures are being reviewed in the joint paper reviewing Bank/Fund collaboration, which is now under preparation.

In the second part, however, the Deputies asked us to consider what additional steps might be taken to strengthen Fund/IDA collaboration in adjusting countries where our operations are strongly interrelated. They focussed specifically on the Board processes relating to PFPs and context of adjustment programs, and on closer collaboration between the Boards.

As you may be aware, this language derives from an earlier version proposed by the U.S., which spoke of joint Board meetings.

I would like to get your advice, at our lunch next week, on how to approach this issue and what aspects, if any, might be suitable for review. When we present the joint paper on Bank/Fund collaboration to our Board, I will have to indicate whether we wish to proceed to discuss this set of issues and, if so, how.

Sincerely,

*Barber*

Attachment

cc: Messrs. Stern, Qureshi, Thalwitz



12. Donors stressed the importance of collaboration between IDA and the Fund if the two institutions are to provide effective support to recipient countries in the design and implementation of adjustment programs. They acknowledged the progress that has been achieved in this area, and called for continued progress in implementing the agreements already reached on:

- increased IDA involvement in the Policy Framework Paper (PFP) process;
- joint PFP missions with more IDA participation than at present;
- IDA leadership of some PFP missions; and
- greater use of PFPs in consultative groups.

In order to build on this strengthened collaboration, and to help ensure consistency of advice, the donors asked the Executive Directors to examine any further steps that might be taken to implement the agreements reached, particularly in coordinating Fund and IDA support for programs in countries where both institutions are engaged in adjustment lending and where their operations are strongly interdependent for success. This examination should be designed to strengthen the mutually reinforcing nature of the operations of the two institutions, bearing in mind their respective roles. They might, for example, consider the advantages and disadvantages of steps such as: strengthening the review and decision processes of the IDA and IMF Boards of Executive Directors with respect to the content of adjustment programs; promoting closer collaboration of the two Boards; and improving the procedures for reviewing PFPs.

## Ethiopia

After the visit of the Ethiopian delegation to the Bank and Fund at the end of March, and its request to the Fund for access to SAF, and to the Bank for project and hybrid lending, a Bank-Fund mission will be in Ethiopia shortly to start PFP discussions with the government. If all goes well, a PFP could be ready for presentation to the COW by the end of July.

While here, the Ethiopian delegation was told by the Bank that an agreement on a macroeconomic framework and, within it, on exchange rate was essential to make work the reforms that Ethiopia had undertaken so far. We understand that this corresponds closely with the Fund's perspective. Ethiopia has to make convincing macroeconomic decisions to overcome its scarce credibility and poor image with donors.

We also told the Ethiopians that there has to be some clear prospects for an abatement of the war and of expenditure on it, if the policy framework is to become credible and if the adjustment program is to attract sufficient Board support and donors' assistance. We would find it difficult to present a PFP to the COW without progress on the political front.

You may wish to ask how does the MD rate the prospects for Ethiopia's access to SAF and what are the likely political and economic conditions for it?

## Honduras

A paper on the justification of IDA eligibility is being prepared by the staff. Income per capita has already fallen to \$430 in 1990, given the devaluation that occurred. The Region expects that for the next 2-3 years per capita will be around \$400.

Honduras is taking steps to comply with IMF requests on interest rates and exchange rates and should be able to fulfill all the conditions necessary to enter into a stand-by agreement with the IMF (if arrears to IFIs can be cleared). These are also preconditions for Bank adjustment lending.

You should inform Mr. Camdessus of our intention to make Honduras IDA eligible and let him know that we expect the Fund to consider Honduras ESAF eligible as well, for without access to concessional resources, Honduras creditworthiness over the next 2-3 years would remain fragile and our financial support for the adjustment program would be difficult to justify [Honduras may not have yet applied for ESAF eligibility].

You should also tell Mr. Camdessus that we expect that a 50% overall quota limit be set under the IMF stand-by (instead of the planned 35%) and that a first disbursement of 35% of quota be authorized by the IMF (instead of the planned 25%). This seems justified to us, given the efforts that Honduras is making and the financial requirement of the program.

## Nigeria - ESAF

The Government of Nigeria has been informed at the highest level that our lending program is predicated on Nigeria's obtaining access to, and drawing, from ESAF. The Fund has similarly been informed.

Fund Management, however, may decide not to put forward Nigeria for ESAF, since excess funds may be set aside to finance clearing of arrears for countries now SAF-eligible. As you know, under the so-called "rights approach", arrears countries undergoing a Fund-monitored program would accumulate drawing rights during its lifetime (in general, three years) and then become eligible to draw in order to clear their overdues to the IMF. Part of such funds would likely have to come from ESAF. The Fund Board has not yet made a formal decision on this, but such an outcome is likely.

You should attempt to ascertain the Managing Director's position on Nigeria and ESAF, in the light of these circumstances.

ESAF resources are needed to finance a viable program in Nigeria and to increase the likelihood of eligibility of this country for Toronto terms.

## IDA-9 Follow up on Bank-Fund Collaboration

One of the requests made by IDA donors was for the Executive Directors to "examine any further steps that might be taken to implement the agreement reached" between the Bank and the Fund. They also suggested some subjects that could be reviewed.

In the Board paper that we are doing jointly with the Fund reviewing Bank-Fund collaboration since the March 1989 memorandum, we will deal with four of the areas indicated by the donors: 1) increase IDA involvement in the PFP process, 2) more extensive IDA participation in PFP missions, 3) mission leadership, and 4) greater use of PFPs in consultative groups.

In addition, IDA donors suggested that we consider 1) ways of strengthening the review and decision processes of the IDA and IMF Boards on the content of adjustment programs in IDA countries, and 2) ways to promote close collaboration between the two Boards.

You may wish to ask the Managing Director whether the Fund wishes to participate in a review of such possibilities and, if yes, when, to what extent and in what kind of framework (possibly informal discussions). Knowing what kind of priority the IMF attaches to these suggestions of the IDA donors would help us in shaping a response to them.

### SAF/ESAF Eligibility

SAF eligibility was initially confined to the IDA-eligible countries at the time the SAF was established (neither Nigeria, nor Honduras were then eligible; Ethiopia was instead declared eligible). When SAF eligibility was established, there was general support in the IMF for extending it to countries that may become IDA-eligible in the future: ESAF eligibility criteria are the same as ESAF's.

However, the link between IDA eligibility and SAF/ESAF eligibility is not an automatic one. A specific IMF Board decision is required in each case. Such decision would take into account the availability of resources and the need not to disadvantage currently eligible members.

As of February 1990, in a draft Board paper on SAF/ESAF, the IMF staff was on record as favoring an expansion of eligibility for ESAF (as SAF resources were very tight), given the slower-than-expected pace of use of ESAF (due in large part to the higher cost-higher conditionality of the ESAF drawings). The staff advocated extension of ESAF eligibility for Nigeria and possibly for Angola.

This Board paper and Board consideration of it was then frozen by the IMF management, presumably to await the results of the Board discussion on the arrears strategy, since use of ESAF resources is being contemplated to clear member countries' arrears to the IMF at the end of the 3-year monitored programs that they have in mind.

You may wish to ask the Managing Director when he intends to go to the Board with the paper on SAF-ESAF and when decisions on ESAF eligibility will be taken.

# OFFICE MEMORANDUM

*Mr. Conable*

*Mr. Liu might raise with you the possibility of bringing forward the Forestry loan (now set for \$300 million) on the 29th. We shall have the loan ready in case you wish to do so but at this stage I would not like you to commit yourself to anything. The loan is very large and I am concerned about testing the waters with such a large amount. Moreover, it may invite a Frown down of Liaison.*

DATE: April 27, 1990

TO: Mr. Barber B. Conable

THROUGH: Mr. Moeen A. Qureshi, OPNSV

FROM: Attila Karaosmanoglu *AK*

EXTENSION: 72283

SUBJECT: Visit of China's Vice Minister of Finance, Mr. LIU Zhongli

*Admitted... Please say, I would welcome the views and preferences of the Chinese but that you will decide close to the 9th of May, when documents have to be issued. MAB 4/30*

1. You have agreed to a courtesy call from Vice Minister Liu on Wednesday, May 2 at 11:30 am. He is likely to be accompanied by Mr. Wang Liansheng, Director of the World Bank Department of the Ministry of Finance (whom you have met), and staff from the Chinese Executive Director's office. Mr. Burki will join you.

2. Vice Minister Liu, who is representing China at the Development Committee, was born in Zhejiang Province in 1934. A college economics graduate, he has worked as Chairman of the Economic Planning Commission of Heilongjiang Province, and then Deputy Governor, before becoming Vice Minister of Finance. His normal duties do not include the Bank.

3. Mr. Jin, Alternate Executive Director, informs us that Vice Minister Liu will raise two issues: resumption of Bank lending to China, including its IDA 8 allocation, and measures to improve China's relations with the Bank. On resumption of Bank lending, you should confirm your intention to present Jiangsu Transport along with one other loan for consideration of the Executive Directors on May 29, after they have had time to review the Country Economic Memorandum. The draft CEM was recently discussed in China by Mr. Qureshi and China Department staff. Assuming that there are no problems, taking into account Executive Directors' comments on China's economic performance, and given the pressure of other Board business in June, as many as four other China operations might also be considered before the end of FY90. Linked to this, and to possible measures to further improve China's relations with the Bank, as Mr. Qureshi suggested during his recent mission, it would be in China's interest to remove any doubts among China's many friends about the pace and progress of reform. It would be helpful, in particular, to take advantage of the success in stabilizing the economy to move decisively--and fairly soon--on price and other reforms that would firmly establish conditions for China's continued economic growth and social development during the 1990s.

Cleared with and cc: Mr. Burki

cc: Ms. Haug

*pmc*  
PMCADario:pmc

WORLD BANK / INTERNATIONAL FINANCE CORPORATION

Mr. Conable

Mr. Liu might raise with you the possibility of bringing forward the Forestry Loan (now set for \$300 million) on the 29th. We shall have the loan ready in case you wish to do so but at this stage I would not like you to commit yourself to anything. The loan is very large and I am concerned about testing the waters with such a large amount. Moreover, it may invite a turndown of Jiangsu.

Please say, you would welcome the views and preferences of the Chinese but that you will decide close to the 9th of May, when documents have to be issued.

Moeen Qureshi  
4/30/90

THE WORLD BANK/IFC/MIGA  
**OFFICE MEMORANDUM**

DATE : May 1, 1990

TO : Mr. William Stanton, EXC

FROM : <sup>EG</sup> Enzo Grilli

EXT. : 78061

SUBJECT: Briefings for the President on Zambia, Cote d'Ivoire, and China

You requested these additional briefs. I can confirm that the IMF has put these three countries on the agenda as information items only. There are no outstanding country issues. In fact the IMF feels that given the size of the agenda, these three country's situations may not even be discussed. The Regional Departments, however, provided some useful background material which is enclosed here.

cc: Mr. Dubey, Ms. Haug, Ms. Okonjo-Iweala, Ms. Butler

## **CHINA**

(Results of recent visit by Senior Bank managers)

The main outcome of Mr. Qureshi's visit to China was a better understanding of where the Chinese stand with respect to the agenda of future economic reforms. It is now clear that the Chinese have not abandoned the reform effort, which will go forward in all the critical areas but at a more measured pace. The Chinese authorities will develop an agenda of future reforms to be implemented in the eighth five-year plan (1991-95), and would like to have assistance from the Bank in a number of policy areas. It is also clear that they will pursue a more aggressive program for obtaining a larger flow of foreign direct investment in China: a new joint venture law as passed by the National People's Congress in April and considerable amount of additional powers have been given to Fujian, Guangdong, Hainan and Shanghai provinces to get new joint ventures established.

Insofar as our lending strategy is concerned, the Regional Department is to articulate clearly the reform efforts that the Bank will be supporting. We are, therefore, likely to concentrate some of our lending in the sectors needing reforms (financial, education, agriculture, environment) and in the regions of China in which reform is being pursued.

## **COTE D'IVOIRE**

(Country situation)

The Government of Cote d'Ivoire is implementing an adjustment program in order to reduce the structural fiscal deficit and improve the competitiveness of the economy. The Government's efforts are being supported by the IMF through a Stand-by approved in November 1989 and by the Bank through agricultural and energy sectoral adjustment loans approved in October and December, 1989, respectively. The joint IMF/IBRD mission of February 1990 to review progress under the Stand-by concluded that because of a serious revenue shortfall during 1989, and sharper declines in commodity export prices than forecast by the program, the program was off-track. In order to restore financial viability as well as reduce factor prices in Cote d'Ivoire, the mission recommended that deep cuts in budgetary current expenditures, including public sector wages, were required. As a result of these discussions, the Government prepared an enhanced policy package to reinforce the program, including a graduated reduction in public wages.

Unfortunately, the enhanced policy package was announced in a piecemeal fashion without fully explaining to the Ivorian population the



reasons why such drastic measures were required. Most importantly, the Government did not make clear to the public that the program was designed to the extent possible so that the sacrifices required from each income group would be commensurate to their income level. As a result, there has been serious social and political unrest in Cote d'Ivoire: students and well organized middle-income groups such as doctors, nurses, and bank tellers have been the most active participants in the opposition to the program. The Government first hurriedly announced a set of compensating measures, which led to the distortion of the program and to the impression that each measure could be negotiated separately with the concerned parties. The Government finally announced that the program was cancelled.

In view of all these difficulties, President Houphouet Boigny asked for Mr. Ouattara, Governor of the BCEAO and formerly Director of the IMF's African Department, to be detached from the Regional Central Bank for an initial period of three months and to be responsible for the preparation of a new program. With Mr. Ouattara's nomination, the program's chances of success have significantly increased. It will nevertheless be difficult to cover the increased gaps which require salary and other expenditure cuts. In addition, he is expected to bring about the political consensus necessary to support the sacrifices required by the program. The Head of State has given Mr. Ouattara full authority over other Ministers to prepare and implement the program. In addition, Mr. Ouattara's excellent reputation with the international community will stand RCI well. A joint IMF/IBRD mission is currently in Abidjan to assist the Ivorian team in preparing the new program. Negotiations are expected to be completed in Washington after the Interim Committee meetings in early May.

One major problem in the Bank's relationship with RCI continues to be the substantial delay in debt service. On numerous occasions, arrears have reached an even surpassed the 60-day date line. We had just, once again, to send a telex threatening suspension of disbursements for some \$22 million overdue since March 1. In anticipation of an agreement between the Government and the IMF, the French Government is likely to release within the next few days the first tranche of about \$90 million of a SAL the Caisse Centrale approved last week. This first tranche is primarily meant to be used to clear up RCI's arrears vis-a-vis the Bank.

## **ZAMBIA**

(Status of Reform Program and CG meetings)

Implementation of the macroeconomic program is proceeding quite well. Constraints on money growth have been effective and inflation is subsiding, from 170 percent for the year ending September 1989 to an annualized rate of about 63 percent for the last quarter of 1989. There was a further slight slowing of inflation in January 1990. The Government has continued to adjust the exchange rate in the "official" market and implementation of the second window (OGL), in which transactions in a

limited number of goods are conducted at an estimated market-clearing exchange rate (K40 per US\$1), is progressing well. The Government has stayed-the-course on the other difficult reforms as well, e.g., price decontrol, subsidy reduction, etc. In many respects, the Zambian authorities are ahead of the PFP agreements in terms of implementation of the reforms.

The recent CG meeting succeeded in closing a significant part (\$450 million) of the \$700 million financing gap for 1990. The donors indicated that they would not be able to come up with the remaining amount, which is essentially the amount needed to cover scheduled payments and charges to the Bank and Fund. We are now awaiting a formal decision by the Fund on the "rights" approach and on sequential clearing of arrears. Staff work on these hypotheses is proceeding, with close collaboration of Fund Staff. This would allow the Bank to work on a program with donor (and Government) support to assist Zambia clear her arrears to the Bank, after which the Bank would be able to provide a significant positive flow to the country. An early meeting of the Paris Club is also needed to reschedule bilateral arrears and scheduled payments.

April 30, 1990

Mr. Conable

Barber -

When you meet with Mr. Chidzero, would you be sure to prime him on the Global Environmental Fund. I understand that he may be personally supportive, though he might not wish to have a fight with the U.S. Yet, the issue will be settled in deciding the communique language and the Chairman can be influential here.

By the way, you--and Mr. Chidzero--should know that Mexico plans to be very supportive, and that Mike Wilson is likely to be more supportive than Canada was at the Paris meeting. The Swiss, too, have reiterated their strong interest in the GEF.



Ernest Stern

M. Haug

# OFFICE MEMORANDUM

DATE: April 12, 1990

TO: Mr. Moeen A. Qureshi, Senior Vice President, Operations  
Through: Mr. Edward V.K. Jaycox, Vice President, Africa Region  
FROM: James Adams, Acting Director, AF4

*Edward V.K. Jaycox*  
4  
12

EXTENSION: 34867

SUBJECT: NIGERIA -- External Financing Strategy

1. Questions have been raised by Finance and PPR (comments attached) about the financing of Nigeria's short-term balance of payments gap and whether the burden will be equitably shared by all creditors. Before proceeding to negotiate the third policy-based loan, we would like to confirm our proposed strategy.

2. Nigeria is making every effort to put together an economically sensible and equitably balanced external financing strategy.

(a) ESAF. The IMF Board will not be able to consider Nigeria for ESAF until the general arrears/quota issue is settled. This is likely to be discussed by the Board in mid-May. Before the issue of arrears and overdues arose, a decision had been made by the IMF staff to recommend including Nigeria in ESAF. Consistent with the view expressed by Mr. Conable during the CSP review, Mr. Koch-Weser made it clear in meetings today with the President and the Minister of Finance that the Government's willingness to draw on ESAF funds, should they be made available, is an essential part of the Bank's financial strategy for Nigeria.

*18 months - eligible for IDA*

(b) London Club. The Nigerians presented their proposal to the London Club Steering Committee on March 19. They advocated replacing all London Club MLT (US\$4.6 billion) with 30-year bonds with 10 years' grace and a 3 percent interest rate. Negotiations are likely to take several months.

(c) Paris Club. The current agreement runs out this month. The Nigerian Government has argued strongly for Toronto terms. The report from the latest Paris Club meeting where this issue was discussed in the tour d'horizon is that Nigeria will receive sympathetic consideration for further rescheduling and extended terms but that the degree of concessionality reflected in Toronto terms is unlikely in this round. We expect the Paris Club discussions also to take several months. The Paris Club members, in the context of the Consultative Group, have provided over US\$500 million per year in new concessional commitments for both 1989 and 1990.

3. We believe the support anticipated in the external financing package is both feasible and well balanced. The Nigerians are making all the right moves. We have emphasized to both the Nigerians and the

other involved creditors that we are proceeding with BFPL on the assumption that the overall external financing strategy involving appropriate support from all available sources will be implemented. At the same time, in view of the effort being made in the areas outlined above and the length of time likely to be needed, we do not believe we should predicate proceeding with BFPL on any specific outcome of these other negotiations. On this basis, we would appreciate your confirmation that we can proceed in order to meet the proposed June Board date.

JETodd/om

cc & cl: Mr. Dubey.

cc: Messrs./Ms. Koch-Weser (o/r), Salop, Swayze, O'Brien  
Haug, J. Wood, Holsen, Kilby.

Attachments

[Misc: Finance]

# OFFICE MEMORANDUM

DATE: April 3, 1990

TO: Mr. E.V.K. Jaycox, Vice President, AFR

FROM: John Holsen, Director, CEC

EXTENSION: 37458

SUBJECT: NIGERIA: Green Cover Package of Documents for a proposed  
Budgetary and Financial Policy Loan (BFPL)

RECEIVED

90 APR -3 PM 2:16

DEPT. OF  
AFRICA REGION

1. In a postscript to the recent review of the Nigeria Country Strategy Paper by the President's Council, Mr. Conable indicated that our country lending program should be predicated upon adequate burden-sharing and, in particular, upon Nigeria's obtaining access to and drawing on ESAF.

2. Since the BFPL involves a significant increase in Bank exposure, we believe the Bank should indicate to the Government of Nigeria that this loan will not be presented to the Board until there has been substantial progress on ESAF and on obtaining from the Paris Club "Toronto terms" or something similar.

cc: Messrs. Thalwitz (PRESV), Rajagopalan (PRSVP), Fischer (DECVP), Colaco (PREVP), Steer (DECVP), Shakow (SPRDR), Ingram (PRESV), Corbo (CECMG), Liebenthal (SPRPA), Pfefferman (CEIED), Dubey (EAS), Vergin (OPNSV), Kilby (FRSCR), Koch-Weser (AF4DR), Adams (AF4CO)

Mss. Haug (EXC), Salop (AF4DR).

CC. RMT

April 5, 1990

RECEIVED

90 APR -5 PM 4:03

Mr. E. K. V. Jaycox

OFFICE OF THE  
AFRICAN REGION

NIGERIA - Budgetary and Financial Policy Loan  
Green Cover President's Report

Kim,

As you know, the external financing situation in Nigeria was discussed at some length in the President's Council, where it was generally agreed that Nigeria needs more concessional financing, both to help close the possible financing gap for 1990-93 and to provide some assurance that Nigeria's creditworthiness will improve over the medium term. Without additional debt relief, the Bank would be assuming a disproportionate share of the financing burden for the next few years.

In this context, I would urge that we not present the Budgetary Financial Policy Loan to the Board until we have firm evidence of favorable action by both the Paris Club and the IMF. I recognize that this may mean delay of a few weeks in Board presentation. Such delay is regrettable, particularly when we expect to agree to a significant package of adjustment measures. However, in this case, linking Board presentation to Paris Club and the IMF ESAF decisions can be defended as being in Nigeria's own interest.

  
Joe Wood

cc: Messrs. Stern  
Qureshi

# OFFICE MEMORANDUM

DATE: July 13, 1988

TO: Mr. Barber B. Conable, President  
Through: Mr. Moeen A. Qureshi, Senior Vice President, SVPOP  
FROM: Edward V.K. Jaycox, Vice President, AFRVP

EXTENSION: 34000

SUBJECT: NIGERIA -- Recommendation for IDA Blend Status

1. The attached note analyzes Nigeria in the context of the Bank's IDA eligibility criteria of poverty, lack of creditworthiness, economic performance, and availability of projects suitable for IDA financing. The Region believes that there is a strong case for making Nigeria an IDA blend country -- subject to reservations on economic performance, which we hope to resolve in coming weeks. We recommend allocating to Nigeria US\$50-75 million in FY89 out of the Africa Region's share of IDA. While this amount is small relative to Nigeria's needs, we expect IDA eligibility to play a catalytic role in opening the door to concessional lending from other sources.

2. The recommendation is predicated on Nigeria's ability to put its reform program back on track, and, in particular, to address satisfactorily the major macroeconomic issues that will be the subject of forthcoming negotiations with the Bank on the proposed Trade and Investment Policy Loan (TIPL) and with the Fund on a possible new stand-by arrangement. Therefore, if you endorse the recommendation, we propose not informing the Board until the time of circulation of the TIPL documents.

cc: Messrs. Stern, SVPFI  
Shihata, VPLEG  
Hopper, SVPPR  
Wapenhans, SVPEA  
Thahane, SECGE  
Ryrie, CEXVP  
Ms. Haug, EXC  
Mr. Koch-Weser, AF4DR

Attachment



## NIGERIA: The Case for IDA Eligibility

### I. Introduction

1. Prior to the oil boom, Nigeria was one of the world's poorest countries. However, as sharply rising oil revenues boosted the value of exports from US\$4 billion in 1973 to US\$26 billion in 1980 (Chart 1), GNP measured in current U.S. dollars increased fivefold. In per capita terms, GNP rose from under US\$300 in 1973 to over US\$1000 in 1980 (Chart 2). These increases reflected the direct effect of the export rise and the indirect effects of the associated changes in foreign exchange availability on the exchange rate. This process has been reversed in the 1980s as the oil market has progressively weakened. Exports fell to US\$7.5 billion in 1987, and per capita GNP to US\$400. In the circumstances, it would seem appropriate for the international financial community to review the case for Nigeria's eligibility for concessional aid -- in terms of IDA, access to ESAF, and bilateral flows.

### II. IDA Eligibility

2. IDA eligibility is judged in terms of four criteria: poverty, lack of creditworthiness, economic performance, and availability of projects suitable for IDA financing. These criteria -- as they apply to Nigeria -- are considered below.

3. Poverty. The IDA poverty criterion is based on GNP per capita in U.S. dollars measured according to the World Bank Atlas methodology, which uses a three-year average of the exchange rate for converting GNP measured in local currency into U.S. dollars. On this basis, GNP per capita in 1987 is estimated at US\$400. It is projected to be US\$280 in 1988 and US\$230 in 1989, as the effect of the sharp exchange rate depreciation that took place in September 1986 is more fully reflected in the three-year average that converts the naira value of GNP into U.S. dollars. Intervening growth notwithstanding, per capita GNP is projected to remain below US\$300 through 1995. The above calculations use the official exchange rate prior to September 26, 1986, and the auction rate thereafter. However, it is generally recognized that the official rate was substantially overvalued in the period leading up to the introduction of the foreign exchange auction, and indeed, since the opening of that market, the exchange rate has averaged US\$1 = N4 compared with an official rate of US\$1 = N1.6 in the immediate pre-auction period. Using the Atlas methodology but with parallel market rates, GNP per capita has been below US\$400 since 1984 (Chart 3).

4. Given the operational significance of GNP per capita measured in U.S. dollars and the importance of the exchange rate in these calculations, it is important to determine whether the new exchange rate is in some relevant sense "undervalued" -- albeit market-clearing -- and thereby imparting a downward bias to the GNP estimates in U.S. dollar terms.

Throughout the entire 1974-1985 period, the value of the naira was elevated by buoyant oil revenues. But by 1987, the real effective exchange rate had depreciated to 50 percent of its 1973 level (Chart 4). Broadly speaking, this occurred because oil export revenues had fallen below their 1973 level in real terms and the import intensity of domestic absorption and production had to change back to what had prevailed in 1973. Because the short run demand and supply elasticities tend to be smaller than their long run counterparts, arguably, the present exchange rate embodies some overshooting, biasing downward U.S. dollar measures of GNP. However, because increasing trade surpluses are needed to finance projected transfers abroad in respect to debt service, the real exchange rate seems unlikely to appreciate over the medium-term. As a check on the GNP calculations, it is worthwhile to look at GNP measured in constant naira. Based on this yardstick, GNP per capita has been falling since 1977, and in 1987 was only 66 percent of its 1973 level (Chart 5). Meanwhile, per capita GNY -- which takes explicit account of terms of trade changes -- was 84 percent of its 1973 level in 1987 (Chart 6).

5. Evidence on socioeconomic conditions and infrastructure tends to confirm the assessment that Nigeria is poor (Table 1). The growth rate of population, currently estimated at 3.4 percent per annum, and the crude birth rate of 50 per thousand, are among the highest in the world. The infant mortality rate is over 100 per thousand live births. Population per physician is 10,500, and male and female life expectancies are a meager 48 and 52 years, respectively. Half of IDA-eligible African countries have a higher per capita calorie intake than Nigeria, and most offer better access to safe water supplies in both urban and rural areas. Notwithstanding considerable investment during the 1970s, road density is still relatively low, even by African standards. One third of IDA-eligible African countries have more road mileage per square mile of land area than Nigeria, and only one IDA-eligible African country has less road mileage per capita. Only five IDA-eligible African countries have fewer telephones per capita than Nigeria.

6. Lack of Creditworthiness. The lack-of-creditworthiness criterion for purposes of IDA eligibility has generally been interpreted to mean that the country is short of resources in relation to its development needs, because of the inability to qualify for assistance from commercial sources. Nigeria clearly meets this criterion. External debt in 1988 is estimated to be some 400 percent of exports of goods and non-factor services. Even on "best case" assumptions, this ratio would still be above 250 percent in 1995. Staff forecasts suggest an eventual return to full commercial creditworthiness -- defined as equality between debt and exports of goods and non-factor services -- but not until early in the next century. The projected cash flow assumes reschedulings and re-reschedulings at least through 1995; even so, the post-rescheduling debt service ratio remains above 30 percent through 1995. New money packages will also be necessary; however, it is unlikely that these will be readily forthcoming from commercial banks. Rather, agreement to participate in such packages would reflect banks' strategic decisions to give new money in a partial offset to

interest falling due. Even under these assumptions, Nigeria will be making net transfers abroad through 1995 totalling US\$10 billion. The magnitude of these transfers severely constrains the availability of resources -- especially foreign exchange -- that can be directed toward growth-enhancing investments. Reflecting these limitations, real GNP is forecast to grow by only 4 percent per annum through 1995 -- even with continuing policy reforms -- keeping real per capita GNP growth below one percent per annum.

7. Economic Performance. For IDA purposes, performance includes dedication to development objectives, mobilization of domestic resources, rate of GNP growth, progress in achieving a more equitable distribution of income, and quality of administration and economic management. These broad development considerations would appear to have been met by Nigeria's structural adjustment program introduced in mid-1986, although there are major worries about performance under the program. While implementation of the program's supply side measures has been satisfactory, macroeconomic policies have not been supportive. The fiscal deficit has put excessive pressure on the exchange rate and threatens to undermine the foundations of the program. We are pursuing the dialogue with the authorities on the exchange rate and fiscal policy in the context of the negotiations of the proposed Trade and Investment Policy Loan (TIPL). The Fund will also be covering these issues in its negotiations of a possible stand-by arrangement covering the period through end-1989. Although short-term considerations are not supposed to determine variations in IDA allocations, we would not be in a position to make a strong case for establishing eligibility on the basis of performance, unless we are able to put the program back on track. Indeed, we would see the possible availability of IDA -- and other concessional flows that it might unlock -- as part of the carrot being offered for a meaningful reaffirmation of the initial goals of the structural adjustment program.

8. Availability of Projects. The Nigeria lending program is rich in operations with a poverty focus that would be suitable vehicles for IDA financing and concessional co-financing. The core lending program for FY89-91 includes several health, water, and urban infrastructure operations and a primary education project. Such projects are designed to improve living standards and increase the productivity of the poor. The proposed population project would also be an appropriate vehicle, since, without remedial action, population growth -- some 3.4 percent per annum in recent years -- could neutralize the effects of the forecast growth in output on per capita income. Components of our planned agricultural operations that focus on increasing production and incomes of small farmers and environmental protection would also be suitable for IDA financing.

### III. ESAF and Other Donors

9. The Extended Structural Adjustment Facility (ESAF) is the most concessional non-Trust-Fund facility available from the IMF, carrying an interest rate of 1/2 percent and a ten-year maturity. Access to ESAF was

originally based exclusively on IDA eligibility. However, because of limited resources, the Fund is taking the position that IDA eligibility is no longer a sufficient condition for access to ESAF. While the Fund Board has not yet established any additional formal criteria, there is concern about adding new countries to the eligible list, for fear of setting off a wave of new requests. In any case, it is clear that Nigeria will not be eligible for ESAF this calendar year. However, if agreement is reached on a new stand-by and Nigeria establishes a good track record of performance thereunder, a possible case could be made for converting the stand-by into ESAF in 1989.

10. The Government has initiated a dialogue with multilateral and bilateral aid agencies for concessional credits, which could be specifically earmarked for social sector expenditures -- including programs to alleviate poverty and thereby to broaden political support for the adjustment program. Among the multilateral agencies, UNDP, ADB, and the EEC have been active in Nigeria, and these agencies are expected to step up their support for the Government's economic reform efforts. Some bilateral donors have also expressed interest in providing concessional aid for Nigeria. The Japanese are already providing US\$100 million in soft money cofinancing for TIPL through OECF, and officials of other Part I countries -- Germany, the Netherlands, and the U.K. -- have indicated that the idea of a Consultative Group might be acceptable to their Governments. IDA eligibility would help open the door to concessional lending from these and other donors.

#### IV. Implications

11. While Nigeria would clearly satisfy the IDA eligibility criteria on the basis of poverty, lack of creditworthiness, and availability of projects, there is a major question about performance. We hope that this can be resolved in the forthcoming negotiations with the Bank and the Fund. These negotiations will be difficult, as the size of the corrections needed to restore macroeconomic balance are large. The prospect of IDA eligibility and other concessional flows would be important sweeteners for encouraging the Nigerians to take the tough decisions that are necessary to put the program back on track. It would also make it easier to present a case showing that Nigeria would benefit from staying current on its debt service obligations.

12. In tandem with our work with the Nigerians, we thus need to press ahead with our efforts to mobilize official support for bilateral aid to Nigeria and access to ESAF. For creditors, a compelling argument for concessional aid is based on self-interest, as such initiatives will strengthen Nigeria's incentive to stay in the game. Nigeria is saddled with a heavy burden of foreign debt -- over 40 percent to Paris Club creditors -- with interest payments over the period through 1995 totaling some US\$19 billion, of which only roughly half can be optimistically assumed to be financed by new money on commercial terms. Based on other

countries' experience, we should be looking for concessional flows of about US\$0.5 billion per year.

V. Recommendations

13. The Region recommends that the Bank (a) declare Nigeria an IDA blend country, and (b) allocate to Nigeria US\$50-75 million in FY89 out of Africa's IDA allocation -- conditional on agreement with the Bank and the Fund on the measures needed to restore the momentum of the structural adjustment program.

JKS/lop/om

CHART 1: NIGERIA, EXPORTS (FOB)  
(CURRENT US DOLLARS)

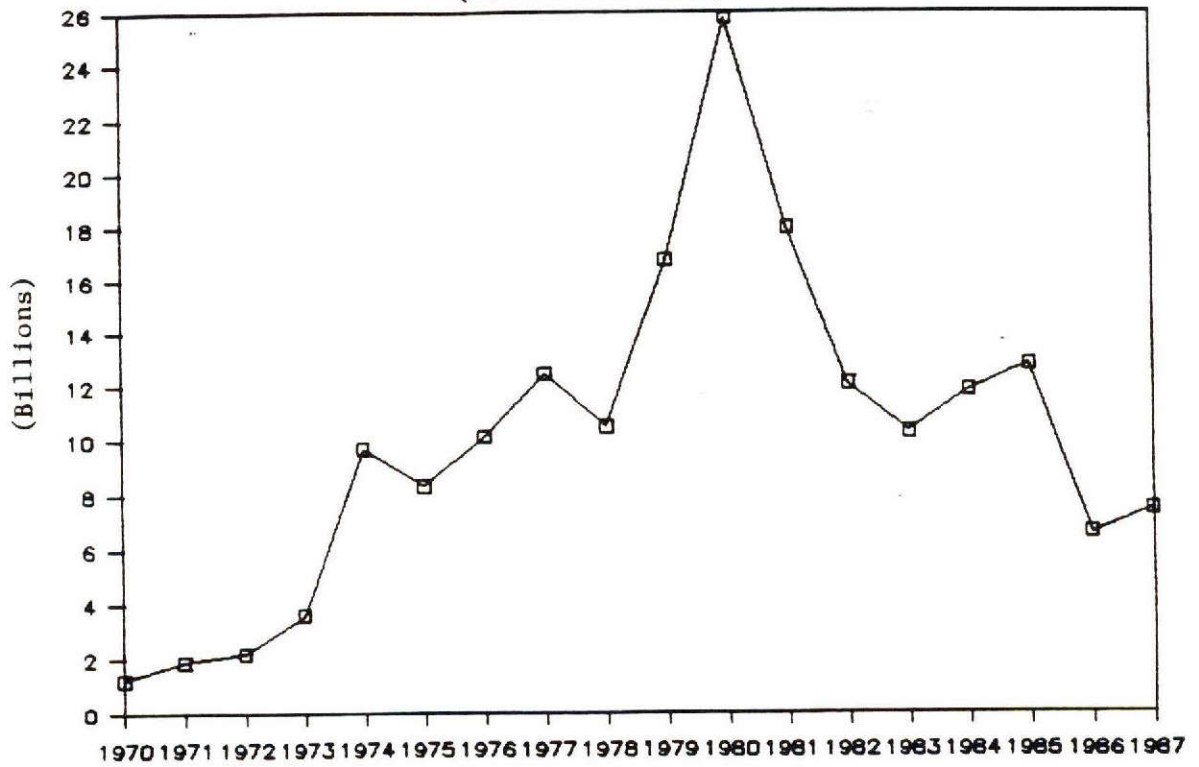


CHART 2: NIGERIA, GNP PER CAPITA  
(CURRENT US DOLLARS - OFFICIAL EX RATE)

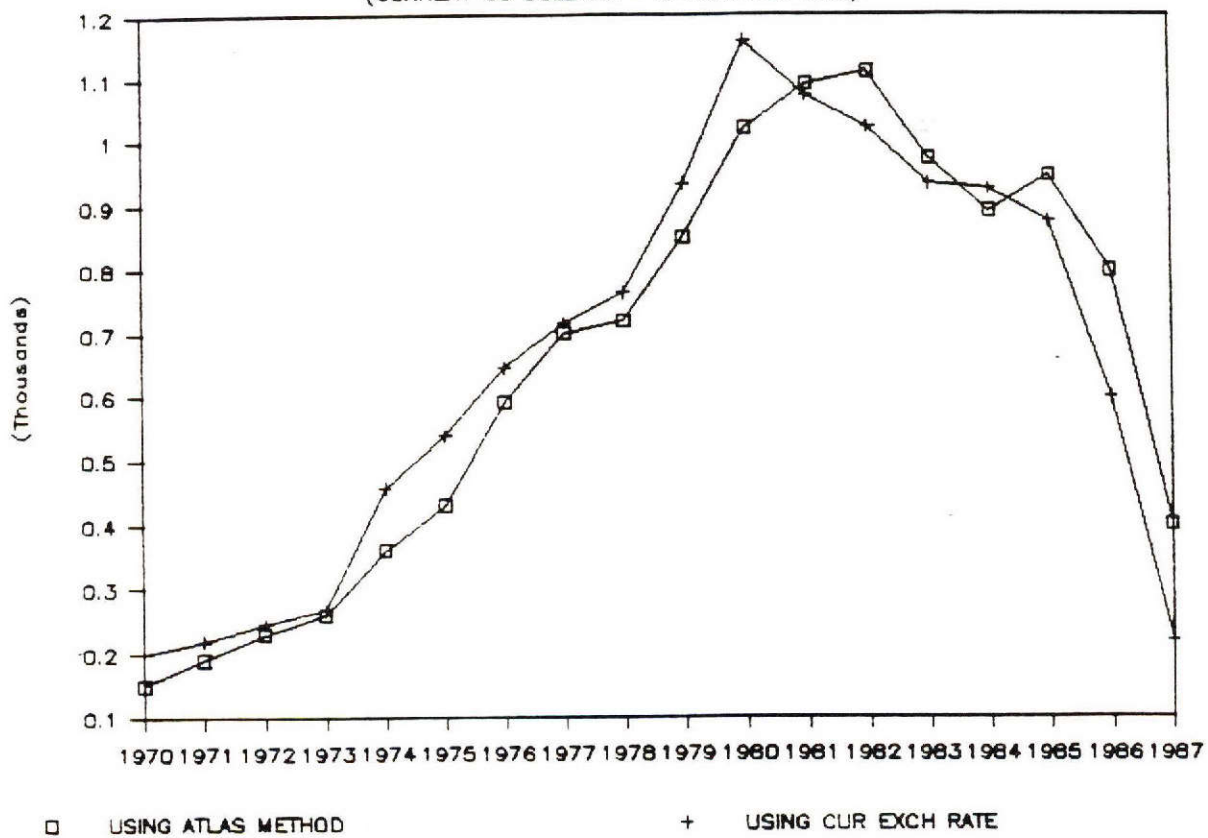






CHART 4: NIGERIA, REAL EFF. EXCH RATE

(1980 = 100)

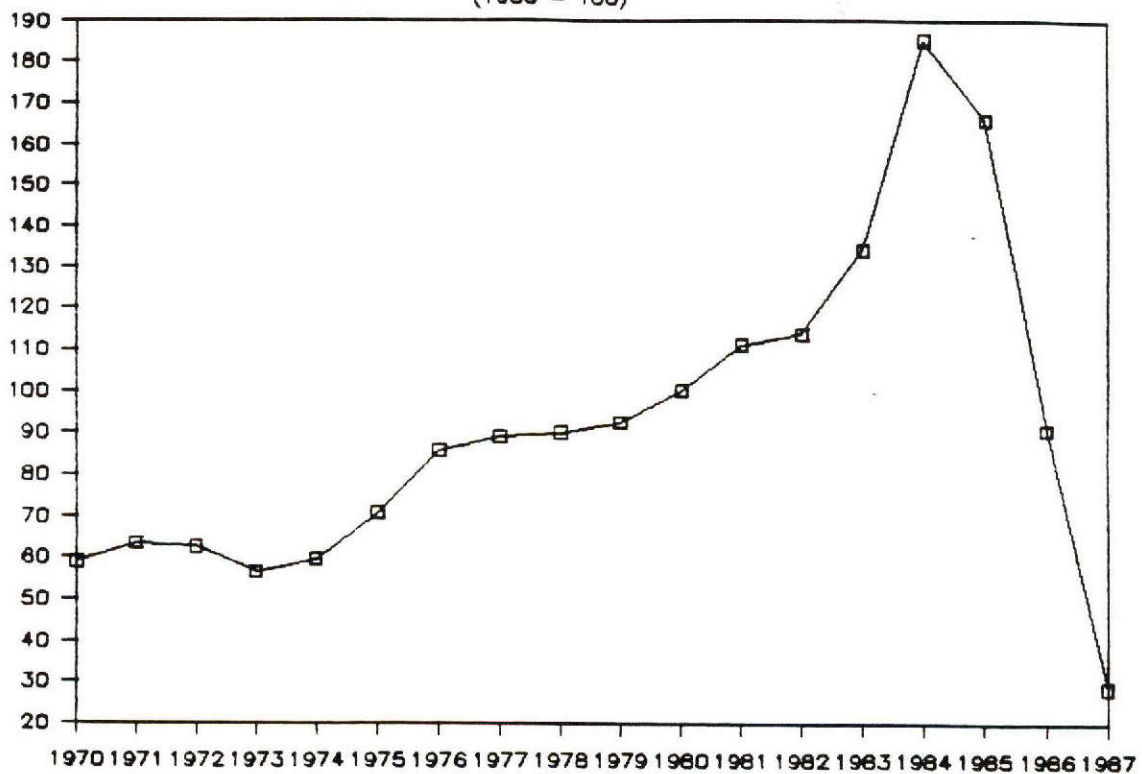


CHART 5: NIGERIA, PER CAPITA GNP  
(CONSTANT NAIRA)

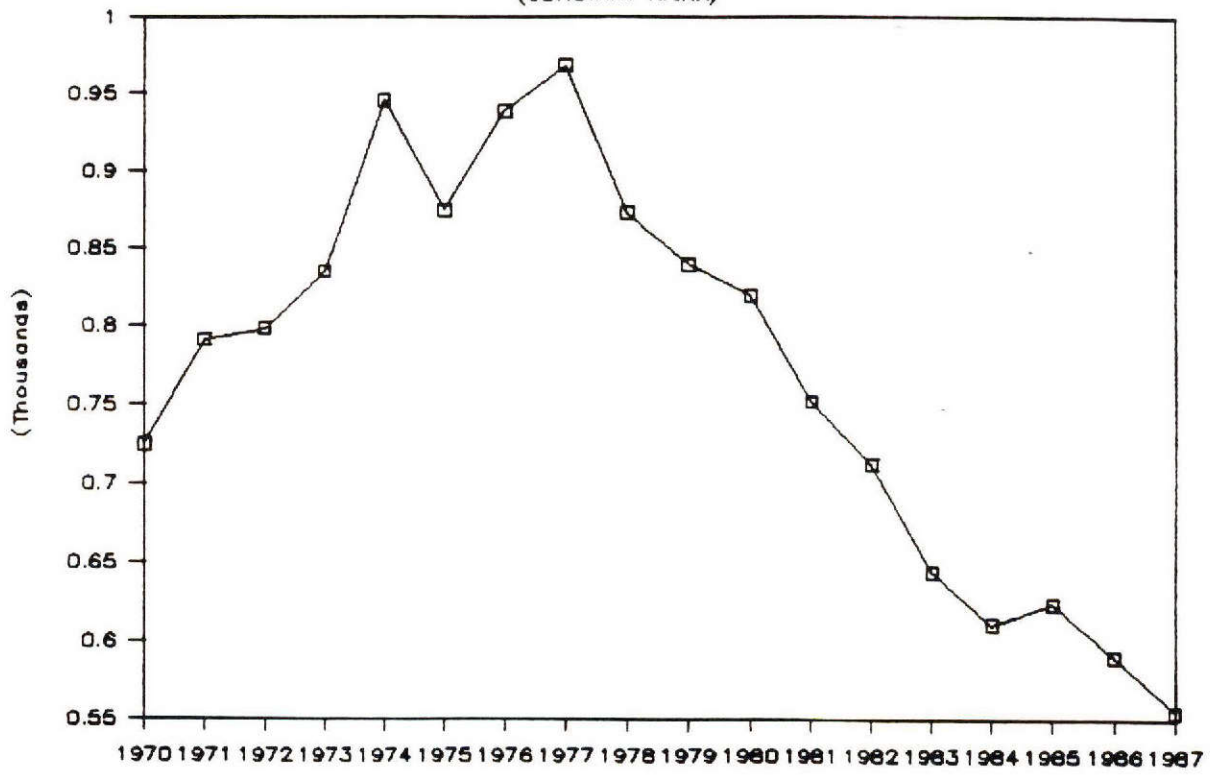


CHART 6: NIGERIA, PER CAPITA GNY  
(CONSTANT NAIRA)

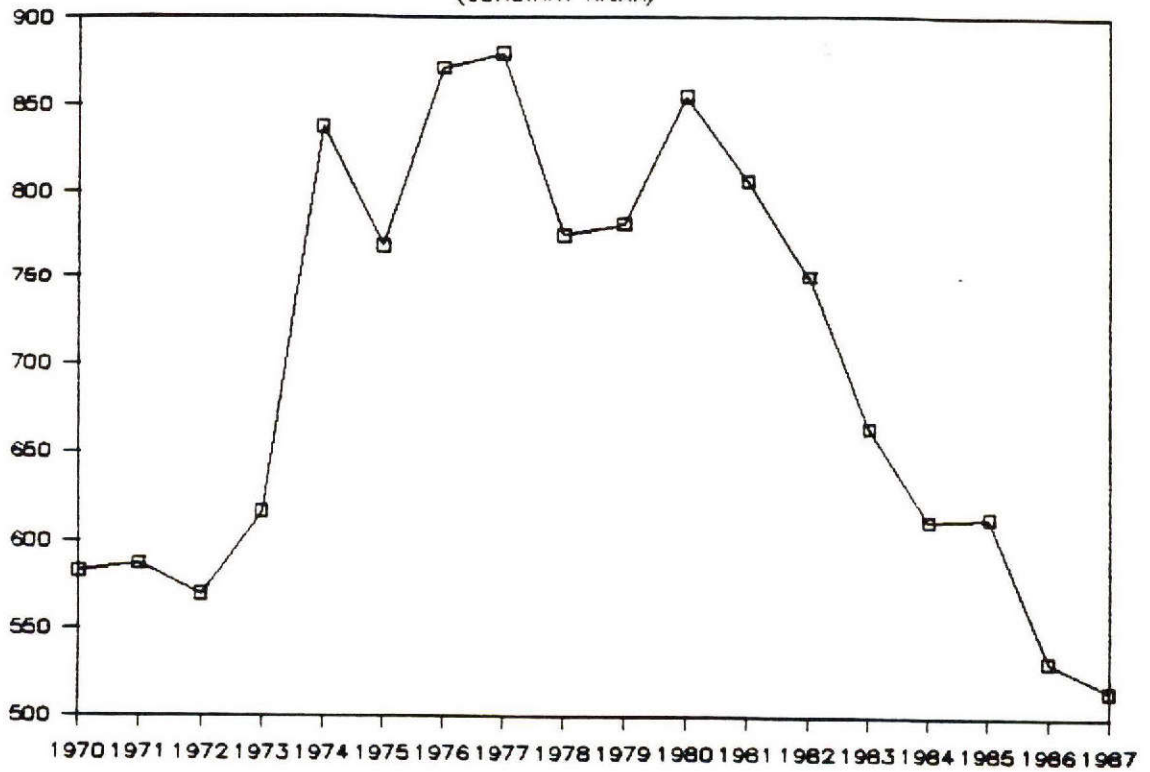


Table 1: Social and Infrastructure Indicators for Nigeria  
and African Countries Eligible for IDA

	Population (1986)	GNP per Capita (US\$) (1986)	Population Growth % (1980-86)	Daily Caloric Supply per Capita	Life Expectancy (years)	Access to Drinking Water		Roads		Telephones (per capita • 100)
						Urban	Rural	Km per 2000 pop	Km per 1000 sqkm	
Nigeria	103.1	620 1/ 200 2/	3.4	2139	51	45	15	1.0	108.2	0.2
Lesotho	1.6	370	2.7		55	37	11	2.7	133.3	0.3
Mauritania	1.8	420	2.6	2070	47	80	85	4.4	7.3	0.2
Senegal	6.8	420	2.9	2474	47	77	25	1.8	59.7	0.8
Ghana	13.2	390	3.5	1785	54	72	33	2.2	118.8	0.6
Sao Tome and Principe	0.1 3/	340			65 3/			2.8	300.0	1.7
Sudan	22.6	320	2.8	2168	49			0.9	7.6	0.4
Rwanda	6.2	290	3.3	1935	48	48	55	1.7	384.6	0.1
Sierra Leone	3.8	310	2.4	1784	41	50	2	2.7	137.8	0.5
Kenya	21.2	350	4.1	2214	57	85	15	2.7	94.3	1.3
Zambia	6.7	300	3.5	2126	53			5.2	46.5	1.2
Central African Republic	2.7	290	2.5	2059	50			8.7	36.3	0.2
Benin	4.2	270	3.2	2248	50	26	15	1.9	66.4	0.5
Somalia	5.5	280	2.9	2074	47			4.0	33.9	0.2
Niger	6.6	260	3.0	2276	44	41	32	3.0	15.0	0.2
Burundi	4.8	240	2.7	2233	48	90	20	1.1	173.0	0.1
Togo	3.1	250	3.4	2221	53	70	31	2.3	122.8	0.4
Gambia	0.7 3/	230			43 3/	85		3.1	209.1	0.5
Madagascar	10.6	230	3.3	2452	53	80	7	4.9	85.2	0.4
Tanzania	23.0	250	3.5	2316	53			2.4	56.7	0.6
Mozambique	14.2	210	2.7	1617	48			1.9	33.0	0.5
Guinea-Bissau	0.9 3/	170			39 3/	18	8	4.6	112.2	0.5
Mali	7.6	180	2.3	1810	47	37		1.8	10.9	0.1
Zaire	31.7	160	3.1	2151	52			4.7	61.8	0.1
Burkina Faso	8.1	150	2.5	2003	47	27	31	1.4	40.9	0.1
Malawi	7.3	160	3.1	2415	45	77	37	1.9	111.9	0.5
Chad	5.1				45			6.3	24.4	0.1
Ethiopia	43.5	120	2.4	1704	46			1.0	35.4	
Equatorial Guinea	0.4 3/				45 3/			4.1	55.0	0.6
Guinea	6.3	246	2.4	1899	42	69	2	2.3	56.9	
Uganda	15.2	230	3.1	2483	48			1.8	114.6	0.5

Sources: World Development Report 1988, Africa Regional Files, and staff estimates.

1/ Atlas methodology, official exchange rate.

2/ Atlas methodology, parallel market rate.

3/ Mid-1985 estimate.

BARBER B. CONABLE  
President

WORLD BANK/IMF LUNCHEON MEETING

TO BE HELD ON WEDNESDAY, MAY 2, 1:15 P.M.

PRESIDENT'S PRIVATE DINING ROOM

Fund

Messrs. Camdessus

*Feb*  
*Laag*  
*Whitcomb*  
*Hino*

Bank

Messrs. Conable

Qureshi

Stern

Stanton

*Shalwitz*

1. Arrears

Arrears -- Language on Preferred Creditor Status  
(Development and Interim Committees)

Arrears Strategy

2. Bank/Fund Collaboration

Strategy for IDA 9 follow up.

3. Country Issues

Nigeria ESAF Eligibility -- External Finance Strategy  
Recommendation for IDA Blend Status

Honduras ESAF Eligibility

Ethiopia -- PFP

*Low income & country updates - 2-2-90*

4. Miscellaneous

*Zambia*

Environment Fund

Eastern Europe

THE WORLD BANK

Office of the President

April 18, 1990

Mr. J. William Stanton

Bill:

Mr. Conable wanted to raise with Mr. Camdessus at the upcoming lunch, the ESAF eligibility of Nigeria, as well as ESAF eligibility of other countries such as Honduras.

Marianne

Attachment

THE WORLD BANK  
Washington, D.C. 20433  
U.S.A.

BARBER B. CONABLE  
President

WORLD BANK/IMF LUNCHEON MEETING

TO BE HELD ON WEDNESDAY, MAY 2, 1:15 P.M.

PRESIDENT'S PRIVATE DINING ROOM

Fund  
Messrs. Camdessus  
Erb  
Lang  
Whittome  
Hino

Bank  
Messrs. Conable  
Qureshi  
Stern  
Stanton  
Thalwitz

1. Arrears

- ✓ Arrears -- Language on Preferred Creditor Status  
(Development and Interim Committees)
- ✓ Arrears Strategy

2. Bank/Fund Collaboration

- ✓ Strategy for IDA 9 follow up.

3. Country Issues

- ✓ Nigeria ESAF Eligibility -- External Finance Strategy  
Recommendation for IDA Blend Status
- ✓ Honduras ESAF Eligibility
- ✓ Ethiopia -- PFP
- Country Updates: China, Cote d'Ivoire, Zambia

4. Miscellaneous

Environment Fund  
Eastern Europe

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Office of the President

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THE WORLD BANK  
Washington, D.C. 20433  
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D R A F T

BARBER B. CONABLE  
President

WORLD BANK/IMF LUNCHEON MEETING

TO BE HELD ON WEDNESDAY, MAY 2, 1:15 P.M.

PRESIDENT'S PRIVATE DINING ROOM

Fund

Messrs. Camdessus

*Erb  
Lang  
Whitton  
Hino*

Bank

Messrs. Conable  
Qureshi  
Stern  
Stanton

*Shalwitz*

1. Arrears

Arrears -- Language on Preferred Creditor Status  
(Development and Interim Committees)

Arrears Strategy

2. Bank/Fund Collaboration

Strategy for IDA 9 follow up.

3. Country Issues

Nigeria ESAF Eligibility -- External Finance Strategy  
Recommendation for IDA Blend Status

Honduras ESAF Eligibility

Ethiopia -- PFP

*China  
Cote d'Ivoire  
Zambia* } *country updates - MAQ informed*

4. Miscellaneous

Environment Fund

Eastern Europe

JWS/jv  
4/27/90

April 26, 1990

Mr. Conable

Barber -

Attached is a note to Michel, which I think you should send. Enzo Grilli has prepared a brief for the luncheon along the same lines, which will be shared with the Fund. But I think that some additional context in a personal note is desirable.

It seems to me that the only way this can be approached is by a joint committee of the two Boards. It is not a subject management in the two institutions can handle separately (with the exception of the review of the PFPs). If Michel agrees, we could test this out. I assume that neither Board would be in favor of it.



Ernest Stern

Attachment

April 24, 1990

Mr. Stanton

I would suggest that the following topics be included in the agenda for the luncheon meeting between Mr. Conable and Mr. Camdessus on May 2:

- (1) Bank/Fund Collaboration
- (2) Arrears Strategy---Where is the Fund coming out?
- (3) Preferred Creditor Status---How to handle the language in the Interim Committee Communique so as to avoid giving the impression that shareholders intend to differentiate between the preferred creditor status of the Fund and the Bank.



Ernest Stern

The World Bank/IFC/MIGA  
O F F I C E M E M O R A N D U M

DATE: 17-Apr-1990 11:37am

TO: Gillian Butler ( GILLIAN BUTLER )

FROM: Jennifer Anne Volk, EXC ( JENNIFER ANNE VOLK )

EXT.: 72173

SUBJECT: Camdessus Lunch -- April 27

Further to my request for talking points, Marianne Haug would like to ensure that "Ethiopia" and "ESAF Nigeria" are included.

Thank you.

The World Bank/IFC/MIGA  
O F F I C E M E M O R A N D U M

DATE: 17-Apr-1990 04:42pm

TO: Jennifer Anne Volk ( JENNIFER ANNE VOLK )

FROM: Nonna Ponferrada, FINSV ( NONNA PONFERRADA )

EXT.: 72811

SUBJECT: RE: LUNCH WITH MR. CAMDESSUS

Yes, Mr. Stern is available to join the luncheon meeting on  
April 27.

The World Bank/IFC/MIGA  
OFFICE MEMORANDUM

DATE: 23-Apr-1990 05:47pm

TO: Jennifer Anne Volk ( JENNIFER ANNE VOLK )

FROM: Patricia Gallagher, PPRSV ( PATRICIA GALLAGHER )

EXT.: 75683

SUBJECT: Suggestions for Conable/Camdessus Lunch, April 27

We have the following suggestions:

- 1) Environment Fund
- 2) Development Committee: Themes of speeches, what we hope to get out of the meeting
- 3) Interim Committee: What is MC expecting?
- 4) Eastern Europe: New Developments
- 5) RAL II: Board acceptance of adjustment lending.

The World Bank/IFC/MIGA  
O F F I C E M E M O R A N D U M

DATE: 24-Apr-1990 09:47am

TO: Patricia Gallagher ( PATRICIA GALLAGHER )

FROM: Jennifer Anne Volk, EXC ( JENNIFER ANNE VOLK )

EXT.: 72173

SUBJECT: RE: Suggestions for Conable/Camdessus Lunch, April 27

Thanks for the talking points. The Lunch has had to be moved to Wednesday, May 2 at the Bank. Please note the change in your calendar and let me know if Mr. Thalwitz would still be available to attend.



April 26, 1990

Mr. Conable

I suggest that you send the attached note to Mr. Camdessus and ask to discuss it at lunch next week. As you know, the draft Interim Committee communique proposes to include language along these lines for the Fund, and we should have a parallel declaration for the Bank. But life is more uncertain in the Development Committee, and we would not want to table this language unless we are sure of solid support. We are working with the U.S., the G-7, and the others to make sure of that, but we should also have Michel's strong support at the luncheon drafting session.



Ernest Stern

cc: Mr. Stanton

DRAFT ES:n

April 26, 1990

Mr. Camdessus

The question of arrears, which will be discussed in the Interim Committee in the context of arrears to the IMF, is also to be raised in the Development Committee, although in a quite different context. Several countries are expected to note the problems of arrears to the Bank and the regional development banks, with the objective of getting us to organize a review of existing policies on provisioning, suspension of disbursement, etc. Since the discussion in the Interim Committee is likely to lead an inclusion in the communique reaffirming the Fund's preferred creditor status, as was done in the Berlin meeting, I would like to use the discussion in the Development Committee to obtain a parallel endorsement of the Bank's preferred creditor status. I attach a draft paragraph we are considering, which I would like to discuss at our lunch next week. In the sometimes diffused discussion on the communique at the Development Committee luncheon, we may need your support to ensure that the concept is not diluted.

Barber B. Conable

### The Bank's Preferred Creditor Status

The Committee emphasized the special contribution of the World Bank in providing long-term financial assistance to developing countries based on its access to capital markets around the world. The Committee further recognized that the Bank's ability to maintain its access to long-term capital at favorable terms rests on the confidence of these markets that borrowers will continue to give priority to servicing their obligations to the Bank. Accordingly, the Committee stressed the responsibility of all members to lend their active and tangible support to ensure that countries using Bank credit treat the Bank as a preferred creditor.

The World Bank/IFC/MIGA  
OFFICE MEMORANDUM

DATE: 17-Apr-1990 12:57pm

TO: Gene Audifferen ( GENE AUDIFFEREN )  
TO: Gillian Butler ( GILLIAN BUTLER )  
TO: Patricia Gallagher ( PATRICIA GALLAGHER )  
TO: Nonna Ponferrada ( NONNA PONFERRADA )

FROM: Jennifer Anne Volk, EXC ( JENNIFER ANNE VOLK )

EXT.: 72173

SUBJECT: LUNCH WITH MR. CAMDESSUS

A luncheon has been scheduled (hosted by Mr. Conable) for Friday, April 27, at 1:15 p.m., in Mr. Conable's private dining room.

Please let me know if you can reserve this slot on your principle's calendar.

In addition, we will need suggestions for possible talking points. Please send them for the attention of Mr. Stanton by Monday, April 23.

Thank you.

CC: Marianne Haug ( MARIANNE HAUG )

The World Bank/IFC/MIGA  
OFFICE MEMORANDUM

DATE: 09-Apr-1990 04:46pm

TO: Marianne Haug ( MARIANNE HAUG )

FROM: Jennifer Anne Volk, EXC ( JENNIFER ANNE VOLK )

EXT.: 72173

SUBJECT: Mr. Camdessus

F.y.i.

Lunch has been scheduled with the MD on April 27. The Bank is hosting. I will notify all interested parties at the Bank. Please let me know if you have any special requirements.

Thank you.

CC: Linda Jean McLaughlin ( LINDA JEAN MCLAUGHLIN )