Appendix 2
Commercial Debt Restructuring

Developments in 2001

In 2001, 26 debt-restructuring agreements between debtor countries and their commercial creditors were completed, restructuring about $104.9 billion of outstanding debt.[1] Among low-income countries, Honduras, Tanzania, and the Republic of Yemen bought back $452 million of principal debt through the International Development Association (IDA) Debt Reduction Facility (see table A2.1).[2] Ukraine exchanged $21.5 million of its external debt to retire the remaining amount outstanding from last year's bond exchange operation. Among middle-income countries, Argentina restructured $85.7 billion of domestic and external debts through a series of debt exchange operations to manage the near-term debt-service profile. Brazil, Jordan, and Mexico retired about $8.6 billion of their collateralized Brady bonds through Brady-Eurobond exchange and straight-buyback operations. Colombia and Turkey restructured $10.5 billion of domestic debt through Treasury notes exchange and an auction process. Also, Panama bought back $160 million of a global bond with cash payment and warrants.

IDA-sponsored debt buybacks in low-income countries

Honduras. In August, Honduras completed the first phase of a debt buyback operation, which was funded by the IDA Debt Reduction Facility and co-financed by the governments of the Netherlands, Norway and Switzerland. This operation extinguished $13 million (principal only) of the total $14.5 million of eligible debt. The purchase price was 18 cents per dollar of the principal amount. The total operation cost came to about $2.4 million, of which $0.4 million was disbursed from IDA and $2 million was financed by participating bilateral donors. The acceptance rate of the creditors in the operation was 90 percent and thus exceeded the required minimum threshold level of 75 percent.

Tanzania. Sponsored by the IDA Debt Reduction Facility and the governments of Germany and Switzerland, Tanzania completed the first phase of a debt buyback operation in April. The operation extinguished $76.6 million of eligible principal debt and about $79.2 million of associated interest. The debt was bought back at a price of 12 cents to a dollar of principal with a 5 percent foreign exchange risk margin. About $10.1 million was paid to the eligible creditors, and the creditors contributed about $65 thousand to Tanzanian nongovernmental organizations under the Debt for Development Clause.

The Republic of Yemen. Funded by the IDA Debt Reduction Facility and the government of Norway, Switzerland, and the Netherlands, in June the Republic of Yemen completed a debt buyback operation to retire $362 million of principal and $245 million of associated interest. This operation included debt owed to about 50 creditors—suppliers' credit was about 85 percent of the principal debt, and commercial debt amounted to about 15 percent. The buyback price for the operation was set at 2.94 cents per dollar of the principal debt.[3] Total operation cost amounted to about $11.4 million, of which $7.6 million came from IDA and $3.8 million came from participating bilateral donors. The acceptance rate of the creditors in the operation was about 91 percent.

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Table A2.1 Completed operations financed by the IDA Debt Reduction Facility as of December 2001
(millions of dollars)

Country	Date completed	Principal extinguished	Price (cents per dollar)[a]	Percentage of eligible principal extinguished	Total resources[b]
Albania	July 1995	371.3	26.0	99.0	97.4
Bolivia	May 1993	170.0	16.0	94.0	27.3
Côte d'Ivoire	March 1998	724.5	24.0	100.0	173.9
Ethiopia	January 1996	226.0	8.0	80.0	18.8
Guinea	April 2000	62.2	13.0	75.0	9.1
Guyana	November 1992	69.2	14.0	100.0	10.2
Guyana	August 1999	34.4	9.0	62.0	3.4
Honduras	August 2001	13.0	18.0	89.8	2.4
Mauritania	August 1996	53.0	10.0	98.0	5.9
Mozambique	December 1991	123.8	10.0	64.0	13.4
Nicaragua	December 1995	1,099.4	8.0	81.0	89.2
Niger	March 1991	107.0	18.0	99.0	19.4
São Tomé and Principe	August 1994	10.1	10.0	87.0	1.3
Senegal	December 1996	71.0	20.0[c]	96.0	15.0
Sierra Leone	September 1995	234.7	13.0	73.0	31.5
Tanzania	April 2001	76.6	12.0	71.8	10.1
Togo	December 1997	44.9	12.5	99.0	6.1
Uganda	February 1993	153.0	12.0	89.0	22.6
Vietnam	March 1998	20.4	44.0	6.6	1.0
Yemen, Republic of	February 2001	362.4[d]	2.9[e]	91.4	11.4
Zambia	September 1994	199.7	11.0	78.0	24.9

a. Of original face value of principal.
b. Includes technical assistance grants.
c. 16 cents for cash buyback and 20 cents for long-term bonds.
d. Excludes $40.7 million of debt owed to the Czech Republic and the Slovak Republic.
e. The effective buyback price reflecting a previous debt reduction of 80 percent on the Russian debt.
Source: World Bank staff estimates.

Other debt restructuring in low-income countries

Ukraine. In March, following the successful completion of last year's bond exchange, the Ukrainian government conducted a new bond exchange operation with the objective of swapping the remaining bonds from a minuscule 0.8 percent of investors who did not take part in the last year's exchange. Under this operation, about $21.5 million of the external commercial debt was exchanged with the remaining amount of the nonexchanged eligible debt at approximately $540 thousand (less than 0.075 percent of total eligible debt). Participating investors received a six-year Eurobond, denominated in either euro at an interest rate of 10 percent or U.S. dollar at an interest rate of 11 percent. Bonds eligible for the swap were a deutsche mark 16 percent Eurobond due in February, euro 10 percent amortizing notes due in March 2007, U.S. dollar 11 percent amortizing notes due in March 2007, and U.S. dollar 11 percent amortizing notes due in March 2007.

Debt buyback and swaps in middle-income countries

Argentina. The government of Argentina successfully completed the first debt swap for the year in February, swapping $4.8 billion of its short- and medium-term peso and dollar-denominated debt for a new $2.6 billion Bonte (Bonos del Tesoro, or Treasury bond) due 2006 and a new $1.6 billion global bond due 2012. This transaction converted $2.9 billion of bonds into a new 5-year Bonte and $1.9 billion of bonds into a new 11-year global bond. The new global bond was priced at par with a coupon of 12.375 percent while the new Bonte came at par with a coupon of 11.75 percent. Of the 17 bonds eligible for the exchange, 12 bonds were exchanged at a discount, and 5 bonds were swapped at a premium. The net present value saving of about $18.5 billion resulted from a net reduction in interest payments.

In June 2002, Argentina carried out one of the largest debt swap operations ever conducted by a developing country, including almost a quarter of its

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outstanding peso- and dollar-denominated bonds. This operation replaced about $29.5 billion of domestic and external bonds with five new securities with a face value of $30.4 billion. Foreign investors exchanged between $8 billion and $9 billion in this deal. Local banks and pension funds swapped the remainder of tender. The swap extended the average maturity of the government's debt by 2.78 years and the average yield of the new bonds was close to 15 percent. The deal reduced the debt servicing cost by $16.5 billion through the end of 2005 on account of the 5-year grace period. However, it increased Argentina's overall debt by about $2.25 billion.

In August the government arranged a voluntary swap of Treasury securities maturing the second half of 2001 with major private domestic banks for a total of $1.4 billion. Participating banks were given the option of choosing between new 1-year and 3-year bonds. In December, Argentina successfully completed a massive local debt swap with domestic banks and pension funds. This operation aimed to extend bond maturities and reduce near-term interest and amortization payments on local bonds. About $50 billion of domestic bonds—$41 billion in federal debt and $9 billion in provincial debt—was exchanged for new lower coupon loans guaranteed by tax collection[4] (see table A2.2). The new loans extended maturities of all debt due before 2010 by three years and lowered the interest rates by at least 30 percent compared with the original bond, with a cap of 7 percent for fixed rate bonds and Libor+ 300 basis points for floating bonds. This operation allowed the federal government to reduce amortization payments by $2.5 billion in 2002, $3 billion in 2003, and $2.4 million in 2004. It also saved $3.6 billion of interest payments in 2002, $2.4 billion for the federal government and $1.2 billion for the provinces.

Brazil.[5] In March, Brazil completed a par-for-par exchange of Brady bonds for a new global bond due 2024. The new $2.15 billion global issue carried a relatively low coupon of 8.875 percent and was priced at a deep discount, around 72 cents on the dollar. Unlike the typical debt swap where the old bonds are exchanged for a smaller number of new instruments, this operation traded old bonds for new bonds at par value but with a low coupon. In order to compensate for the low coupon, the government offered participating investors a cash premium to make up any difference in the market value of Brady bonds and the new global bond. The cash payment was funded out of the collateral liberated from swapped Brady bonds. Brady bonds exchanged for the new global bond included $682 million of par bonds, $1.16 billion of discount bonds, $212 million of C-bonds, and $47 million debt conversion bonds (DCBs).[6]

Colombia. Colombia completed a massive $2.5 billion (Ps5.6 trillion) swap of domestic debts in June 2001 to reduce financing needs for next year. The government split the swap into three transactions through which participating investors could exchange their old bonds for 3-year, 5-year, and 10-year Titulos de Tesoreria notes (Treasury notes). About 54 percent of the old debt was exchanged for a 10-year note with a 7.8 percent coupon (Ps3 trillion). A further 32 percent of debt was swapped for 3-year notes with a 15 percent coupon (Ps1.8 trillion) and the remaining 14 percent was placed in 5-year notes (Ps0.8 trillion). The swap lengthened the average maturity of government bonds to 4.5 years from 3.4 years, and reduced the amortization costs by an average of 32 percent through to 2003.[7]

Mexico. In 2001, the Mexican government carried out three swap operations to buy back $4.74 billion of Brady bonds, and conducted five straight buybacks to retire about $1.025 billion of Brady bonds through open market repurchase.[8] In the first exchange, in March, Mexico issued a $3.3 billion 18-year global bond with a yield of 9.3 percent in exchange for Brady bonds (pars and discounts) with the same nominal value. The deal achieved roughly $115 million of net present value savings and freed up about $1.5 billion in collateral. In May Mexico swapped $1.05 billion of outstanding Brady bonds for $1 billion of a 10-year global bond through a reopening of its 10-year, $1.5 billion bond issued in January 2001. The reopening was priced to yield 8.426 percent to maturity, the lowest ever for a 10-year global issue by Mexico. This transaction released $475 million of underlying collateral and realized net present value savings of around $60 million. In August, Mexico completed a $1.5 billion, 30-year global bond issuance involving a $1.06 billion cash sale and a $440 million exchange for outstanding Brady bonds. The new issue was priced at a deeply discounted $92.58, yielding 9.02 percent and a spread of 335 basis points over U.S. Treasuries with an 8.3 percent coupon. By retiring the swapped Brady bonds, Mexico realized about $10 million of net present value savings and liberated $200 million of collateral.

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Between April and November 2001, Mexico carried out five buyback operations to fully extinguish about $1.03 billion of its outstanding Brady debts by exercising call options and private buybacks. By exercising the embedded call options, Brazil fully retired around $10 million (NLG31.3 million) of Dutch guilder–denominated discount bonds in April; $15 million (JPY1.73 billion) of Japanese yen–denominated discount bonds in May; $300 million of U.S. dollar–denominated discount bonds in October and $400 million (FRF3 billion) of French franc–denominated par bonds in December. In October 2001, Mexico also bought back around $100 million (CAD162 million) of Canadian dollar–denominated discount bonds through private open-market repurchase.

Jordan. In 2001, according to the Jordanian Ministry of Finance, Jordan conducted six buyback operations to retire $44 million of its outstanding Brady bonds. Under these operations, Jordan bought back its Brady par bonds at an average price of 78.8 cents per dollar of face value. Total operation cost, including the arrangement fees of $100.5 thousand, came to about $36.2 million. These repurchase operations were financed by the proceeds from privatization and the sale of the released collateral.

Panama. In July 2001, Panama bought back $160 million of its global bond due in 2002 using the proceeds from a reopening of a $750 million global bond issued in February 2001. This operation represented the new approach to management of the country's debt service profile. The government offered bondholders a cash payment of $1,039 per $1,000 of face value to compensate for the loss of a coupon payment, as well as two warrants allowing investors to exercise an option to buy new 10-year global bonds with a 9.625 percent coupon to be issued in January 2002 for $990 in cash. The buyback generated estimated savings of $9.6 million in terms of debt-service cost.

Turkey. In June, the Turkish government conducted a voluntary debt swap of short-term lira-denominated debts into longer-term dollar-linked and floating-rate lira paper through a Dutch style auction. About $7.3 billion of debt was swapped in the initial auction and $730 million was exchanged in the following supplementary auction. Participating debt holders received $2.45 billion of three-year U.S. dollar-indexed bond yielding 14.89 percent for debt due 2001 and 14.45 percent for debt due in 2002[9], as well as $2.45 billion of five-year U.S. dollar-indexed bond priced to yield a 50 basis points premium to the three-year dollar indexed bond[10]. They also received $1.5 billion of one-year FRNs (floating-rate notes) and $1.1 billion of two-year FRNs. This operation extended the average maturity of domestic debt from 5.3 months to 37.2 months. Debt service costs were estimated to be reduced by around $1.6 billion.

Notes

1. Transaction information was based on World Bank staff research and Goldman Sachs' debt swap data, which was provided by David Cohen.

2. About $324 million of associated interest was also extinguished.

3. The buyback price reflects an initial debt reduction of the former Soviet Union commercial debt at zero cost. Excluding a previous debt reduction, the buyback price was set at 10 cents of eligible principal debt.

4. The central bank is planning to use the financial transaction tax to fulfill guarantees.

5. There were six other Brady bond exchanges by the Brazilian government in 2001, swapping about $3 billion of outstanding Bradys, including $106.8 million of par bonds in June, $371 million and $108 million of EIs(eligible interest bonds) in June and July, $2.29 billion and $220 million of discount bonds in June and July, $7.5 million of new money bonds in June, and $18.6 million of FLIRBs (front-loaded interest reduction bond) in June. The ministry of finance exchanged its Brady bonds for the domestic securities with the central bank and some other domestic banks, turning dollar-denominated debt into real-denominated debt. These transactions were not included in the total debt restructured, since they were between the government agencies.

6. Brady bonds eligible for the exchange included U.S. dollar par series Z-L bonds due 2024 (par bonds), U.S. dollar discount series Z-L bonds due 2024 (discount bonds), U.S. dollar front-loaded interest reduction with capitalization series L bonds due 2014 (C bonds) and U.S. dollar debt conversion series L bonds due 2012.

7. Amortization payments were cut by 22.5 percent for 2001 to Ps41 trillion from Ps3.2 trillion, 34.1 percent for 2002 to Ps5.4 trillion from Ps8.2 trillion, and 40 percent for 2003 to Ps1.8 trillion from Ps3trillion.

8. Mexico has also likely bought back some other debts through open market purchase, but in undisclosed amounts.

9. At the supplemental auction, three-year dollar-indexed bond was priced to yield 14.39 percent for debt maturing in 2001 and 13.95 percent for debt maturing in 2002.

10. The yield of five-year dollar-indexed bond is calculated by using the interest rate, which is determined by the acceptance rate for 3-year dollar-indexed bond plus 50 basis points spreads.

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Table A2.2 Multilateral debt relief agreements with commercial banks, January 1980–December 2001

	Consolidation period		Amount restructured (millions of U.S. dollars)		Other assistance (millions of U.S. dollars)		Repayment terms (consolidation portion only)		
Country and date of agreement	Start date	Length (months)	Deferment	Rescheduling	New long-term money	Short-term credit maintenance	Maturity (years/ months)	Grace (years/ months)	Interest (margin)
Albania									
July 1995	Debt buyback (see notes)								
Algeria									
February 1992	See notes			1,500			5–8/0	3/0	1½/1⅜
June 1995	March 1994			3,200			12/6–16	6/6	13/16
Argentina									
January 1983	1 January 1983	12			1,300		1/2	0/7	1¼
August 1983					500		4/6	3/0	2¼
August 1985	1 January 1982	48		9,777	3,593	3,100	10/0	3/0	1⅜
August 1987	See notes			24,286	1,253	3,500	19/0	7/0	13/16
April 1993	DDSR agreement (see notes)								
September 1997	Voluntary debt swap (see notes)								
Mar./Sept. 1998	Debt buyback (see notes)								
March 1999	Voluntary debt swap and debt buyback (see notes)								
Feb./June 2000	Voluntary debt swap (see notes)								
Feb./June/Aug. 2001	Voluntary debt swap (see notes)								
December 2001	Voluntary local debt swap (see notes)								
Bolivia									
December 1980	1 August 1980	8	200				1/0	1/0	1¾
April 1981	1 April 1981	24		411			6/0	3/0	2¼
July 1988	Buyback arrangement (see notes)								
July 1992	DDSR agreement (see notes)								
May 1993	Debt buyback (see notes)								
Bosnia and Hezegovina									
December 1997	Debt rescheduling (see notes)			1,300					
Brazil									
February 1983	1 January 1983	12		4,800	4,195	15,675	8/0	2/6	2¼
January 1984	1 January 1984	12		5,900	6,510	15,100	9/0	5/0	2
July 1986	1 January 1985	12	9,600	6,552		14,750	6/3	4/3	1¼
November 1988	1 January 1987	84		61,482	5,200	14,833	20/0	8/0	13/16
July 1992	Interest arrears end-1990 (see notes)								
April 1994	DDSR agreement (see notes)								
June 1997	Voluntary debt swap (see notes)								
Apr./Oct. 1999	Voluntary debt swap (see notes)								
Mar./July/Aug. 2000	Voluntary debt swap (see notes)								
March 2001	Voluntary local debt swap (see notes)								
Bulgaria									
July 1994	DDSR agreement (see notes)								
Chile									
July 1983	1 January 1983	24		2,151	1,294	1,700	8/0	4/0	2¼
January 1984	Short-term debt only			1,204			8/0	4/0	2¼
June 1984					785		9/0	5/0	1¾
November 1984						1,700	0/6	0/6	
November 1985	1 January 1985	36		3,891	1,037	1,700	12/0	6/0	1⅜
June 1987	1 January 1988	48		9,732		1,700	15/6	5/0	1
August 1988	Modification of terms (see notes)								13/16
December 1990	1 January 1991	48		4,173	320		8–12/0	4/0	13/16

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Table A2.2 Multilateral debt relief agreements with commercial banks, January 1980–December 2000 *(continued)*

Country and date of agreement	Consolidation period		Amount restructured (millions of U.S. dollars)		Other assistance (millions of U.S. dollars)		Repayment terms (consolidation portion only)		
	Start date	Length (months)	Deferment	Rescheduling	New long-term money	Short-term credit maintenance	Maturity (years/months)	Grace (years/months)	Interest (margin)
Colombia									
December 1985					1,000		8/6	3/0	1½
June 1989					1,640		11/0	5/6	⅞
April 1991							12/6	7/6	1
June 2001	Voluntary debt swap (see notes)								
Congo, Rep. of									
October 1986*	See notes								
Costa Rica									
September 1983	1 January 1983	24		706	202	202	8/0	4/0	2¼
May 1985	1 January 1985	24		470	75		10/0	3/0	1⅝
May 1990	DDSR agreement (see notes)				1,457				
Côte d'Ivoire									
March 1985	1 December 1983	25		485	104		8/0	3/0	1⅞
November 1986	1 January 1986	48		851			9/0	3/0	1⅝
April 1988*	See notes								
May 1997	DDSR agreement (see notes)								
Cuba									
December 1983	1 September 1982	28		130		490	5/6	2/0	2¼
December 1984	1 January 1984	12		103		490	7/0	2/6	1⅞
July 1985	1 January 1985	12		90		490	10/0	6/0	1½
Dominican Republic									
December 1983	1 December 1982	13		500			5/0	1/0	2¼
February 1986	1 January 1985	60		787			13/0	3/0	1⅜
August 1994	DDSR agreement (see notes)								
Ecuador									
October 1983	1 November 1982	14		2,770	433	700	7/0	1/0	2¼
December 1985	1 January 1985	60		4,219	200	700	12/0	3/0	1⅜
November 1987*	See notes								
February 1995*	DDSR agreement (see notes)								
April 1997	Voluntary debt swap (see notes)								
August 2000	Debt rescheduling (see notes)								
Ethiopia									
January 1996	Debt buyback (see notes)								
Gabon									
December 1987	1 September 1986	16		27			10/0	4/6	1⅜
December 1991	1 January 1989	36		75			13/0	3/0	⅞
May 1994	10 July 1994	6		187			10/0	2/6	⅞
Gambia, The									
February 1988	Balance as of 18 December 1986				19		8/0	3/6	1¼
Guinea									
April 1988	Short-term debt only			28			3/0	0/6	1¾
December 1998	Debt buyback (see notes)								
Guyana									
August 1982	11 March 1982	13	14						2½
June 1983	1 July 1983	7	12						2½
July 1984	1 August 1984	12	11						2½
July 1985	1 August 1985	18	15						2½
July 1988			8						
November 1992	Debt buyback (see notes)								
December 1999	Debt buyback (see notes)								

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Table A2.2 Multilateral debt relief agreements with commercial banks, January 1980–December 2000 *(continued)*

	Consolidation period		Amount restructured *(millions of U.S. dollars)*		Other assistance *(millions of U.S. dollars)*		Repayment terms *(consolidation portion only)*		
Country and date of agreement	Start date	Length *(months)*	Deferment	Rescheduling	New long-term money	Short-term credit maintenance	Maturity *(years/ months)*	Grace *(years/ months)*	Interest *(margin)*
Honduras									
June 1987*	1 April 1987	33		248			8/0	6/0	1⅛
August 1989	See notes			101					
August 2001	Debt buyback (see notes)								
Indonesia									
June 1998	Debt rescheduling (see notes)								
Iran, Islamic Rep. of									
March 1993	Balance as of March 1993			2,800			1/1	1/0	13/16
December 1994	Balance as of December 1994			10,900			6/0	2/0	13/16
Jamaica									
April 1981	1 April 1979	24		126			5/0	2/0	2
June 1981	1 July 1981	21		89	89		5/0	2/0	2
June 1984	1 July 1983	21		164			5/0	2/0	2½
September 1985	1 April 1985	24		359			10/0	3/0	1⅞
May 1987	1 January 1987	39		366			12/6	9/0	1¼
June 1990	1 January 1990	24		315			14/0	0/6	13/16
Jordan									
September 1989*	1 January 1989	30		580			11/0	5/0	13/16
November 1989*	1 January 1989	18			50	50	10/6	3/0	13/16
December 1993	See notes								
Year 2000	Debt buyback (see notes)								
Year 2001	Debt buyback (see notes)								
Korea, Republic of									
January 1998	Debt rescheduling (see notes)								
Liberia									
December 1982	1 July 1981	24		29			6/0	2/9	1¾
June 1983	See notes			26					
Madagascar									
November 1981	Arrears only			155			3/6	0/0	1½
October 1984	Entire stock of debt			379			8/0	2/6	2
June 1987	See notes						9/0	0/0	1⅝
May 1990*	1 April 1990	69		49			12/0	0/2	⅞
Malawi									
March 1983	1 September 1982	24		59			6/6	3/0	1⅞
October 1988	Balance as of 21 August 1987			36			8/0	4/0	1¼
Mauritania									
August 1996	Debt buyback (see notes)								

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Table A2.2 Multilateral debt relief agreements with commercial banks, January 1980–December 2000 ***(continued)***

	Consolidation period		Amount restructured (millions of U.S. dollars)		Other assistance (millions of U.S. dollars)		Repayment terms (consolidation portion only)		
Country and date of agreement	Start date	Length (months)	Deferment	Rescheduling	New long-term money	Short-term credit maintenance	Maturity (years/ months)	Grace (years/ months)	Interest (margin)
Mexico									
August 1983	23 April 1982	28		23,280	5,007		8/0	4/0	1⅞
April 1984					3,873		10/0	5/6	1½
March 1985	1 January 1987	48		28,000			14/0	0/0	1¼
August 1985	1 January 1985	72		20,256			14/0	1/0	1¼
October 1985			950						
March 1987				44,216	7,439		20/0	7/0	13/16
August 1987	1 January 1988	48		9,700			20/0	7/0	13/16
March 1988	Debt exchange (see notes)								
March 1990	DDSR agreement (see notes)			48,231	1,091				
May/Sept. 1996	Voluntary debt swap (see notes)								
Aug./Oct. 1999	Voluntary debt swap (see notes)								
Mar./Sept./Oct./ Nov. 2000	Voluntary debt swap and debt buyback (see notes)								
Mar./May/Aug. 2001	Voluntary debt swap (see notes)								
Apr./May/Oct./Nov. 2001	Debt buyback (see notes)								
Morocco									
February 1986	9 September 1983	16		531		610	7/ 0	3/0	1¼
September 1987	1 January 1985	48		2,415			11/0	4/0	13/16
June 1990	Balance as of 31 December 1989			3,200			18/4	8/10	13/16
Mozambique									
May 1987	Entire stock of debt			253			15/0	8/0	1¼
December 1991	Debt buyback (see notes)								
Nicaragua									
December 1980	Arrears			582			12/0	5/0	¾
December 1981	See notes			192			12/0	5/0	¾
March 1982	See notes			100			12/0	5/0	¾
February 1984	1 July 1983	12		145			8/0	0/0	1¼
December 1995	Debt buyback (see notes)								
Niger									
March 1984	1 October 1983	29		29			7/6	3/6	2
April 1986	1 October 1985	39		36			8/6	4/0	2
March 1991	Debt buyback (see notes)			107					
Nigeria									
November 1987	1 April 1986	21		4,714			9/0	3/0	1¼
March 1989	Short-term debt only			5,671			20/0	3/0	⅞
January 1992	DDSR agreement (see notes)			5,436					
Panama									
September 1983					278	217	6/0	3/0	2¼
October 1985	1 January 1985	24		578	60	190	12/0	3/6	1⅜
May 1996	DDSR agreement (see notes)								
September 1997	Voluntary debt swap (see notes)								
July 2001	Debt buyback (see notes)								
Peru									
January 1980	1 January 1980	12		364			5/0	2/0	1¼
July 1983	7 March 1983	12		432	650	2,000	8/0	3/0	2¼
November 1996	DDSR agreement (see notes)								
Philippines									
January 1986	17 October 1983	38		5,885	925	2,974	10/0	5/0	1⅝
December 1987	1 January 1987	72		9,010		2,965	17/0	7/6	⅞
January 1990	DDSR agreement (see notes)			1,337	715				
December 1992	DDSR agreement (see notes)				135		17/0	5/0	13/16
September 1996	Voluntary debt swap (see notes)								
October 1999	Voluntary debt swap (see notes)								

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Table A2.2 Multilateral debt relief agreements with commercial banks, January 1980–December 2000 *(continued)*

	Consolidation period		Amount restructured *(millions of U.S. dollars)*		Other assistance *(millions of U.S. dollars)*		Repayment terms *(consolidation portion only)*		
Country and date of agreement	Start date	Length *(months)*	Deferment	Rescheduling	New long-term money	Short-term credit maintenance	Maturity *(years/ months)*	Grace *(years/ months)*	Interest *(margin)*
Poland									
April 1982	26 March 1981	9		1,956			7/0	4/0	1¾
November 1982	1 January 1982	12		2,225			7/6	4/0	1¾
November 1983	1 January 1983	12		1,254			10/0	4/6	1⅞
July 1984	1 January 1984	48		1,480		335	10/0	5/0	1¾
September 1986	1 January 1986	24		1,940			5/0	5/0	1¾
July 1988	1 January 1988	72		8,310		1,000	15/0	0/0	15/16
June 1989*	1 May 1989	20	206						
October 1994	DDSR agreement (see notes)		206		138				
October 2000	Debt buyback (see notes)								
Romania									
December 1982	1 January 1982	12		1,598			6/5	3/0	1¾
June 1983	1 January 1983	12		567			6/5	3/6	1¾
September 1986	1 January 1986	24		800			5/6	4/0	1⅜
September 1987*	1 January 1986	24		800			5/6	4/0	13/16
Russian Federation									
December 1991	See notes								
July 1993	See notes								
November 1995	Balance as of 15 November 1995			32,500			25/0	7/0	13/16
November 1998	Debt restructuring (see notes)								
February 2000	Debt restructuring (see notes)								
São Tomé and Principe									
August 1994	Debt buyback (see notes)								
Senegal									
February 1984	1 May 1981	38		96			6/0	3/0	2
May 1985	1 July 1984	24		20			7/0	3/0	2
January 1989				37			9/0	0/0	⅞
December 1996	Debt buyback (see notes)								
Sierra Leone									
January 1984	Arrears (principal)			25			7/0	2/0	1¾
August 1995	Debt buyback (see notes)								
South Africa									
September 1985	28 August 1985	7	13,628						
March 1986	28 August 1985	22		650			1/3		bullet/variable
March 1987	1 July 1987	36		4,500			3/0		bullet/variable
October 1989	1 July 1990	42		7,500					
September 1993	See notes			5,000			8/0	0/6	1⅛
Sudan									
November 1981	1 January 1980	28		593			7/0	3/0	1¾
March 1982	Interest arrears only			3			0/9	0/5	1¾
April 1983	See notes			702			6/0	2/0	1¾
October 1985	See notes			1,037			8/0	3/0	1¼
Tanzania									
April 2001	Debt buyback (see notes)								
Togo									
March 1980	See notes			69			3/6	1/0	
October 1983	See notes			84			7/3	0/0	2
May 1988	See notes			48			8/0	4/0	1⅜
December 1997	Debt buyback (see notes)								
Trinidad and Tobago									
December 1989	1 September 1988	48		473			12/6	4/6	15/16

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Table A2.2 Multilateral debt relief agreements with commercial banks, January 1980–December 2000 *(continued)*

Country and date of agreement	Consolidation period		Amount restructured (millions of U.S. dollars)		Other assistance (millions of U.S. dollars)		Repayment terms (consolidation portion only)		
	Start date	Length (months)	Deferment	Rescheduling	New long-term money	Short-term credit maintenance	Maturity (years/months)	Grace (years/months)	Interest (margin)
Turkey									
March 1982	See notes			2,269			10/0	5/0	1¾
June 2001	Voluntary debt swap (see notes)								
Uganda									
February 1993	Debt buyback (see notes)								
Ukraine									
September 1998	Debt restructuring (see notes)								
July 1999	Debt restructuring (see notes)								
February 2000	Debt restructuring (see notes)								
March 2001	Debt restructuring (see notes)								
Uruguay									
July 1983	1 January 1983	24		555	240		6/0	2/0	2¼
July 1986	1 January 1985	60		1,720			12/0	3/0	1⅜
March 1988	1 January 1990	24		1,512			17/0	3/0	⅞
February 1991	DDSR agreement (see notes)			1,284	89				
September 1999	Voluntary debt swap (see notes)								
Venezuela, República Bolivariana de									
February 1986	1 January 1983	72		21,089			12/6	0/0	1⅛
November 1987	See notes				100		14/0	1/0	⅞
September 1988	See notes			20,388			13/0	0/0	⅞
December 1988	See notes								
December 1990	DDSR agreement (see notes)			19,598	1,212				
September 1997	Voluntary debt swap (see notes)								
Vietnam									
December 1997	DDSR agreement (see notes)								
Yemen, Rep. of									
June 2001	Voluntary debt swap (see notes)								
Yugoslavia, Fed. Rep. of									
October 1983	1 January 1983	12		1,300	600	800	6/0	3/0	1⅞
May 1984	1 January 1984	24		1,330			7/0	4/0	1⅝
December 1985	1 January 1985	48		4,004			10/6	4/0	1¼
September 1988	1 January 1988	24		7,000		300	18/0	6/0	13/16
Zaire									
April 1980	See notes			402			10/0	5/0	1⅞
January 1983	1 January 1983	12	58				10/0	0/0	2
June 1984	1 January 1984	16	64				10/0	0/0	2
May 1985	1 May 1985	12	61				10/0	0/0	2
May 1986	1 May 1986	12	65				10/0	0/0	2
May 1987	1 May 1987	12	61				10/0	0/0	2
June 1989	See notes		61						
Zambia									
December 1984	1 January 1985			74					
September 1994	Debt buyback (see notes)								

* Agreement in principle.
Note: Deferment = Short-term rollover of current maturities. *MYRA* = Multiyear rescheduling agreement. *New money* = Loans arranged for budgetary or balance of payments support in conjunction with debt rescheduling, usually in proportion to each creditor bank's exposure; sometimes referred to as concerted lending. *Rescheduling* = Consolidation of debt into new long-term obligations; may include arrears as well as future maturities; interest and short-term debt included only if indicated in country notes. For DDSR agreements, figures include face value of buybacks and of all debt exchanges. *Short-term credit maintenance* = Understanding by banks to maintain the size of existing trade or other short-term credit facilities, arranged in conjunction with debt rescheduling. *Interest (margin)* = percentage points above LIBOR. *DDSR* = Officially supported debt and debt service reduction agreement (Brady initiative).

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Country notes

Albania

July 1995: Restructuring of US$501 million due to commercial banks. US$371 million bought back for US$96.5 million funded by grants from IDA debt reduction facility and other donor countries, and US$130 million converted into long-term bonds.

Algeria

Feb. 1992: 1991–93 Financing Facility, designed to refinance maturities falling due from October 1991 through March 1993. Tranche A covers debts with a maturity of two years or more and is repayable in eight years, including three years' grace bearing interest at LIBOR + 1½ percent. Tranche B covers debts with a maturity of more than 360 days and less than two years, and is repayable in five years, including three years' grace.

Argentina

Jan. 1983: Bridge loan.

Aug. 1983: New money, initially US$1.5 billion.

Aug. 1985: Agreed in principle in December 1984.

Aug. 1987: Agreement extended the maturity and lowered the spreads on the 1983 and 1985 agreements. Also includes a noncollateralized debt exchange with interest reduction (US$15 million).

April 1993: DDSR agreement: Outstanding stock of US$19.3 billion exchanged either for 30-year bonds yielding a market interest rate (LIBOR + 13/16 percent) at a 35 percent discount or for 30-year par front-loaded interest rate reduction bonds. First year interest rate 4 percent, rising to 6 percent in year seven and remaining there until maturity. Both bonds collateralized for principal and contain rolling 12-month guarantees. Agreement also included US$9.3 billion of past-due interest: US$0.7 billion was paid in cash at closing, US$400 million were written off, and the remainder was exchanged for bonds (17-year maturity; 7 years' grace), repayable in rising installments and yielding LIBOR + 13/16 percent.

Sept. 1997: Argentina swapped $2.4 billion of Brady bonds for $1.8 billion of uncollateralized 30-year bonds at an interest rate of 305 basis points above the U.S. Treasury rate. The offering allowed for direct exchange and cash sales of Brady bonds.

Mar./Sept. 1998: In March, Argentina bought back $760 million of Brady bonds, consisting of $645 million of par bonds and $115 million of discount bonds. In September, Argentina bought back $700 million of Brady bonds at nominal value.

Mar. 1999: Argentina swapped $129 million of Brady bonds, $84.1 million of discount bonds, and $45 million of par bonds for $106 million of Argentine Bonte bonds maturing in 2027 and exchangeable later for 30-year global bonds. Argentina also bought back $539 million of Brady bonds, $104 million of discount bonds, and $435 million of par bonds through open market purchase.

Feb./June 2000: In February, Argentina swapped $1.4 billion of Brady bonds for $3.5 billion of Argentine Bonte bonds maturing in 2003 and 2005 in a local bond exchange. In June, Argentina swapped $3.3 billions of Brady bonds for $2.4 billion of new 15-year global bonds. The new issue carried a coupon of 13.3 percent.

Feb. 2001: Swapping $4.8 billion of peso- and U.S. dollar-denominated debt for a new $2.6 billion Bonte (Treasury bond) due 2006 and a new $1.6 billion Global bond due 2012. $2.9 billion of bonds was converted into new 5-year Bonte, and $1.9 billion of bonds was converted into new 11-year global bond.

June 2001: Argentina exchanged about $29.5 billion of domestic and external bonds with $30.4 billion (face value) of five new bonds including $11.5 billion of 2008 dollar bond, $7.5 billion of 2018 dollar bond, $8.5 billion of 2031 dollar bond, Ps 931 million of 2008 peso bond, and Ps 2.03 billion of promissory note due 2006.

Aug. 2001: About $1.4 billion of Treasury securities were exchanged for a combination of 1-year and 3-year bond.

Dec. 2001: About $50 billion of domestic debts—$41 billion in federal debt and $9 billion in provincial debt—were exchanged for a new lower coupon loans guaranteed by tax collection. The new loans extended maturities of all debt due before 2010 by three years and lowered the interest rates by at least 30 percent lower than original bond.

Bolivia

Dec. 1980: Includes short-term debt.

April 1981: Includes debt deferred in August 1980.

July 1988: Commercial bank debt retired through a buyback (US$272 million) and a local currency bond exchange (US$72 million). An ongoing program. Applies only to previously deferred loans.

July 1992: DDSR term sheet. Cash buyback at 84 percent discount; collateralized interest-free 30-year bullet-maturity par bonds; short-term discount bonds (84 percent) convertible on maturity into local currency assets at a 1:1.5 ratio, exchangeable into investments for special projects. Past-due interest canceled under all options. Value recovery clause based on price of tin.

May 1993: Buyback of US$170 million commercial bank debt, funded by grants from IDA debt reduction facility and other donor countries.

Bosnia and Herzegovina

Dec. 1997 Agreement to restructure $1,300 million of principal and past-due interest owed to commercial banks under the aegis of the London Club. Past-due interest of $700 million was written off. Eligible principal of $600 million was exchanged for $400 million of uncollateralized discount bonds. The tenor of 37.5 percent of the new bonds is 20 years' maturity, including seven years' grace and stepped-up interest rates rising from 2 percent in years one to four to LIBOR + 13/16 in years 11–20. Servicing on 62.5 percent of the new bonds is linked to economic performance. The country is not required to make principal or interest payments for the first 10 years. After that, the country is required to make debt service payments if per capita income exceeds $2,800 for two consecutive years. Per capita income in 1997 was estimated at $1,079.

Brazil

July 1986: Includes deferment of 1986 maturities.

Nov. 1988: Includes a broad package of creditor options.

July 1992: Interest arrears: December 31, 1990. Cash payment during 1992: US$863 million. When term sheet concludes for long-term debt, the balance was converted into 10-year bonds (three years' grace), bearing market interest rates.

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Apr. 1994: DDSR agreement: Four components of debt totaling US$48 billion were restructured: (a) debt to foreign banks under the 1988 multiyear deposit facility agreement (US$32.5 billion), (b) debt to Brazilian banks under the MDFA, (c) debt resulting from the 1988 new money facilities (US$8.1 billion), and (d) interest arrears accruing from 1991–94 (US$6 billion). The first category of debt was restructured following a six-choice menu: (1) discount bonds, 35 percent discount, 30-year bullet maturity yielding LIBOR + 13/16 percent with principal collateral and a 12-month rolling interest guarantee (US$11.2 billion); (2) par bonds with a reduced fixed-rate interest (yielding 4 percent in the first year and gradually rising to 6 percent in year seven), 30-year bullet maturity, also with principal collateral and a 12-month rolling interest guarantee. (US$10.5 billion); (3) front-loaded interest reduction bonds (US$1.7 billion), with interest rising from a fixed rate of 4 percent in year one to 6 percent in years five and six and then reverting to LIBOR + 13/16 percent from year seven to maturity, 15 years maturity including nine years grace, 12-month rolling interest guarantee; (4) C-bonds, par reduced interest rate bonds with capitalization of interest (US$7.1 billion), with repayment terms of 20 years' maturity including 10 years' grace, interest beginning at 4 percent and the applicable rates in the first six years being capitalized, no collateral; (5) conversion bonds (US$1.9 billion) combined with new money bonds in a 1:5.5 ratio, interest is LIBOR + 7/8 percent, terms are 18 years' maturity including 10 years' grace for the conversion bonds and 15 years including seven years' grace for the new money bonds, no collateral; (6) interest reduction loan with capitalization, maturity of 20 years including 10 years' grace, interest rising from 4 percent in year one to 5 percent in year six to LIBOR + 13/16 percent from year seven to maturity.

June 1997: Brazil completed a $3 billion 30-year bond offering involving $0.8 billion cash sale and $2.3 billion exchange for $2.7 billion of Brady bonds. The new issue carries an interest rate of 395 basis points above the U.S. Treasury rate.

Apr./Oct. 1999: In April, Brazil completed a $3 billion, five-year global bond offering involving $2 billion cash sale and $1 billion exchange for $1.5 billion of Brady bonds, consisting of $1,046 million of eligible interest bonds (EIs) and $406 million of interest due and unpaid bonds (IDUs). In October, Brazil issued $2 billion 10-year global bonds in exchange for $2.7 billion of Brady bonds. The new issue carries a coupon of 14.5 percent or 850 basis points over the U.S. Treasury rates.

Mar./July/Aug. 2000: Buyback of $705 million of Brady bonds using the proceeds from $600 million 30-year global bonds in March. In July, Brazil issued a new $1 billion seven-year global bond involving $612 million cash sales and $388 million exchange for $400 million of Brady bonds. In August, Brazil completed the largest-ever emerging market bond swap with the issue of $5.16 billion 40-year global bonds with a coupon of 11 percent. This swap operation retired $5.22 billion of Brady bonds.

Mar. 2001: Exchange of Brady bonds for a new $2.15 billion of global bond due in 2024. Brady bonds exchanged for the new global bond included $682 million of par bonds, $1.2 billion of discount bonds, $212 million of C-bonds, and $47 million of Debt Conversion bonds (DCBs).

Bulgaria

July 1994: DDSR agreement: Creditors agreed to restructuring of US$8.3 billion in public external debt, including about US$2.1 billion in past-due interest. The menu for the original debt includes: (a) buyback at 0.25 cents per U.S. dollar (US$0.8 billion); (b) discount bond 50 percent discount on face value (30 years' bullet maturity, market rate, US$3.7 billion); the discount bonds are collateralized for principal; and (c) FLIRBs, 18 years' maturity, eight years' grace interest beginning at 2 percent, rising to 3 percent in the seventh year, and thereafter LIBOR + 13/16 percent (US$1.7 billion). The FLIRBs have one year's interest rolling interest guarantee. Past-due interest includes cash payment of about 3 percent, a buy-back (US$.2 billion), write-off of US$0.2 billion, and past-due interest par bonds (US$1.6 billion) having a 17 years' maturity, including seven years' grace and yield LIBOR +13/16 percent.

Chile

Jan. 1984: Short-term debt consolidated.

Nov. 1984: Short-term debt rolled over to June 30, 1985.

Nov. 1985: Short-term trade credit rolled over to 1990.

Aug. 1988: Interest spread reduced to 13/16 percent. Also cash buybacks (US$439 million).

Dec. 1990: New money bonds not tied to existing banks' exposure. The rescheduling includes previously rescheduled debt.

Colombia

Dec. 1985: New money without restructuring.

June 1989: New money without restructuring.

April 1991: New money without restructuring.

June 2001: Swapping $2.5 billion (Ps5.6 trillion) of domestic debts for 3-year, 5-year, and 10-year Treasury notes. About 54 percent of debt was converted into 10-year note (Ps3 trillion). A further 32 percent of debt was exchanged for 3-year note (Ps1.8 trillion) and the remaining 14 percent was converted into 5-year note (Ps0.8 trillion).

Congo, Republic of

Oct. 1986: Agreement in principle, never concluded. It was to restructure 1986–88 maturities, repayable in nine years, including three years' grace, bearing interest at LIBOR + 2 7/8 percent. Approximately US$200 million of debt would have been restructured. In addition there was a new money provision of US$60 million.

Costa Rica

Sept. 1983: Includes principal arrears.

May 1985: Includes deferment of revolving credit (US$2 million).

May 1990: DDSR agreement: cash buyback at 84 percent discount (US$992 million), debt-for-bond exchange (US$579 million), and write-off of US$29 million of past-due interest.

Côte d'Ivoire

Nov. 1986: MYRA.

Apr. 1988: Agreement designed to replace the MYRA. Includes new money to refinance interest. Interest on the new money portion was LIBOR + 1½ percent. Agreement was not put into effect because interest arrears were not cleared, and current interest payments were suspended in April 1988.

May 1997: DDSR agreement restructuring $6.5 billion of principal and past-due interest. For eligible principal of $2,271.5

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million, creditors agreed to exchange US$159 million for discount bonds (50 percent discount) subject to stepped-up interest rising from 2.5 percent in years one and two to LIBOR + 13⁄16 percent in years 11–30; exchange $1,431 million for front-loaded interest reduction bonds (FLIRBs) with a maturity of 20 years, including 10 years' grace, and stepped-up interest rising from 2 percent in years one to seven to LIBOR + 13⁄16 percent in years 14–20; and buy back $681.5 million at 24 cents per dollar. Principal is collateralized with 30-year U.S. Treasury zero-coupon bonds for the discount bonds, but not for the FLIRBs. A six-month rolling interest guarantee is required for the FLIRBs, but not for the discount bonds. For past-due interest of $4,190.3 million, $30 million was settled in cash at closing, $867 million was exchanged for bonds with a 20-year maturity (half a year of grace period) repayable on a graduated amortization schedule, and $3,293 million was written off.

Dominican Republic

Dec. 1983: Includes short-term debt.
Feb. 1986: MYRA. Includes arrears as of December 31, 1984.
Aug. 1994: DDSR agreement covering principal and past-due interest (US$1.2 billion). The agreement has a menu consisting of (1) buybacks (US$.4 billion); (2) discount exchange bonds (US$.5 billion) 35 percent discount, to be repaid in 30 years, bullet maturity, interest rate LIBOR + 13⁄16 percent; (3) past-due interest bonds (US$171 million) bearing interest at LIBOR + 13⁄16 percent, with three years' grace and 15 years' maturity. The accord also included a write-off of US$112 million of past-due interest, and US$52 million paid in cash at closing.

Ecuador

Dec. 1985: MYRA.
Nov. 1987: Replaces the MYRA.
Feb. 1995: DDSR agreement, restructuring US$7.8 billion of principal and past-due interest. For principal, creditors agreed to exchange US$2.6 billion for discount bonds (45 percent discount) yielding LIBOR + 13⁄16 percent and US$1.9 billion for par reduced-interest rate bonds. Both bonds have a 30-year bullet maturity and are collateralized for principal and have a 12-month rolling interest guarantee. The interest rate on the par bonds is 3 percent for the first year, rising to 5 percent in year 11. US$75 billion on past-due interest is to be settled in cash at closing, US$2.3 billion was exchanged for bonds with a 20-year maturity (no grace period) repayable on a graduated amortization schedule, US$191 million was exchanged for interest equalization bonds, and US$582 million was written off.
Apr. 1997: In April, Ecuador issued $150 million in Eurobonds to buy $214 million of Brady bonds. The principal amount is due at maturity in 2004 and carries an interest rate of 475 basis points above the U.S. Treasury rates. The $50 million saved from the release of collateral was applied toward clearance of debt service arrears with Paris Club creditors.
Aug. 2000: Agreement to exchange about $5.9 billion in defaulted Brady bonds and Eurobonds for $3.95 billion in new 12- and 30-year global bonds. The new 12-year issue was priced to yield 12 percent, and the new 30-year issue carried a multicoupon with the initial coupon rate of 4 percent. This operation resulted in a 40 percent reduction in principal for the bondholders.

Ethiopia

Jan. 1996: Debt buyback at 8 cents per U.S. dollar of US$226 million owed to commercial banks. Funding for the operation was provided by the IDA debt reduction facility.

Gabon

May 1994: Rescheduled principal due through 1994 on debt contracted prior to September 20, 1986 (debt covered by the 1991 agreement, which had not been implemented). Terms: 10-year maturity including two and a half years' grace. Interest: LIBOR + 7⁄8 percent. Arrears of interest and arrears of post cut-off maturities as of July 1, 1994, were to be repaid between 1994 and 1996.

Guinea

Dec. 1998: Buyback of US$130 million under the IDA debt reduction facility (DRF) at 13 cents per U.S. dollar, financed by the IDA DRF and other donor countries.

Guyana

Aug. 1982: One-year deferment.
June 1983: Extension of 1982 deferment.
July 1984: Extension of previous deferment.
July 1985: Extension of previous deferment.
Nov. 1992: Buyback of US$69 million under the IDA DRF at 14 cents per U.S. dollar.
Dec. 1999: Buyback of US$55.9 million under the IDA debt reduction facility at 9 cents per U.S. dollar, financed by the IDA DRF and the Swiss government.

Honduras

June 1987: Two agreements, in 1983 and 1984, were not implemented; this agreement incorporated 1981–85 maturities, but it was not signed.
Aug. 1989: Bilateral rescheduling of debt to two commercial banks. The agreement includes interest arrears. The grace period varied from 7 to 10 years. Interest rates were fixed, ranging from 4 to 6.5 percent.
Aug. 2001: Buyback of $13 million under the IDA debt reduction facility. The buyback price was set at 18 cents per dollar of the principal amount. The IDA and the governments of the Netherlands, Norway, and Switzerland provided funding for the operation.

Indonesia

June 1998: Agreement on a framework for restructuring $80.2 billion of the Indonesian private debt. The interbank loans are extended into new government-guaranteed loans with maturities of one to four years, at interest rates of 2.75, 3, 3.25, and 3.5 percent over LIBOR. The corporate debts are to be rescheduled over eight years, including a three-year grace period for repayment of principal. Over an eight-year rescheduling period, the real interest rate was set to be 5.5 percent, but it would decline to 5 percent for debtors who agree to repay in five years. Agreed to pay off trade financing arrears to maintain trade financing from foreign creditor banks.

Jamaica

May 1987: Includes reduced spreads on earlier agreements.

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June 1990: Agreement also includes a reduction of spreads on earlier agreements to 13⁄16 percent.

Jordan

Dec. 1993: DDSR agreement restructuring US$736 million of principal and US$153 million of past-due interest (PDI). For restructured principal, a small amount was repurchased at 39 cents per U.S. dollar, US$243 million was exchanged for discount bonds (35 percent discount), and US$493 million was exchanged for par fixed interest bonds. Both bonds have a 30-year bullet maturity with principal collateral and a six-month rolling interest guarantee. The discount bonds yield LIBOR + 13⁄16 percent interest; the yields on par bonds begin at 4 percent in the first year, rising to 6 percent in year seven. Regarding PDI, US$29 million was paid at closing, US$91 million was exchanged for noncollateralized bonds with a 12-year maturity including three years' grace and yielding LIBOR + 13⁄16 percent, and US$33 million was written off. Upfront costs totaled US$147 million, all of which was provided from Jordan's own resources.

Year 2000: Jordan bought back $115 million of Brady par bonds at an average price of 70 cents per dollar of face value and $200 million of Brady discount bonds at an average price of 80 cents per dollar of face value. All purchases freed up 30 cents of principal and interest collateral per dollar of face value.

Year 2001: Through six buyback operations, Jordan retired $44 million of its outstanding Brady par bonds. Brady bonds were bought back at an average price of 78.8 cents per dollar of face value.

Korea, Republic of

Jan. 1998: Agreement to restructure the short-term foreign debts owed to foreign commercial banks. Eligible short-term debt of $24 billion is converted into new government-guaranteed loans with maturities of between one and three years and floating interest rates set between 2.25 and 2.75 percentage points over LIBOR. Regarding the government guarantee, the commission to be charged is set between 0.2 and 1.5 percentage points based on the credit rating given by Moody's Investors Service or by Standard & Poor's, and the Bank for International Settlements' capital adequacy ratio. A reserve requirement of 3 percent of the total guaranteed amount in U.S. dollars was set.

Liberia

June 1983: Consolidation of oil facility debt.

Madagascar

Nov. 1981: Arrears on overdrafts consolidated into long-term debt.

Oct. 1984: Restructuring entire stock of debt, including arrears.

June 1987: Modified the terms of the October 1984 agreement.

Malawi

Oct. 1988: Rescheduled balances as of August 21, 1987.

Mauritania

Aug. 1996: Debt buyback of US$53 million, at a 90 percent discount, owed to commercial banks. Funding for the operation was provided by the IDA debt reduction facility.

Mexico

Mar. 1985: MYRA covering previously rescheduled debt.

Aug. 1985: MYRA covering debt not previously rescheduled.

Oct. 1985: Deferment of first payment under the March 1985 agreement.

Mar. 1987: Modification of terms of earlier agreements.

Aug. 1987: Private sector debt restructured.

Mar. 1988: Exchange of debt for 20-year zero-coupon collateralized bonds (US$556 million).

Mar. 1990: DDSR agreement. In addition to new money of US$1 billion, the agreement provided for the exchange of US$20.5 billion of debt for bonds at a 35 percent discount, an exchange of US$22.4 billion of debt at par for reduced interest rate bonds, and conversion bonds totaling US$5.3 billion. The last are not collateralized and have a tenor of 15 years maturity, including seven years' grace, and an interest rate of LIBOR + 13⁄16 percent. The total base also includes US$693 million not committed to any option.

May/Sept. 1996: On May 7, Mexico swapped $2.4 billion in Brady bonds for a $1.8 billion 30-year uncollateralized bond at an interest rate of 11.5 percent. On September 24, Mexico bought back $1.2 billion of Brady bonds at a cost of 81 cents per dollar. This operation was funded by a $1 billion 20-year bond at an interest rate of 445 basis points above U.S. Treasury rates.

Aug./Oct. 1999: Buyback of $510 million of Brady bonds in exchange for $400 million of new 17-year global bonds at an interest rate of 445 basis points above the U.S. Treasury rate in August. In October, Mexico issued $425 million of 10-year global bonds in exchange for about $525 million face value of Brady bonds, $275 million of par bonds, and $250 million of discount bonds. The new offering carries a coupon of 10.2 percent or 385 basis points over the U.S. Treasury rate.

Mar./Sept./Oct./Nov. 2000: Two buyback operations to retire $1 billion of Brady bonds in March. Buyback of $150 million of Swiss franc–denominated 30-year Brady bonds at a 22 percent discount plus any accrued and unpaid interest in September. Buyback of $1 billion of Brady bonds denominated in European currencies (Dutch guilders, French francs, Italian lire, and German marks) in October. Buyback of $385 million of Brady bonds by exercising the embedded call options in November.

Mar. 2001: About $3.3 billion of Brady bonds (pars and discounts) were exchanged for new 18-year global bond with a yield of 9.3 percent. This operation generated about $115 million of net present value savings and freed up roughly $1.5 billion in collateral.

April 2001: Buyback of about $10 million (NLG31.3 million) of Dutch guilder–denominated Brady discount bonds.

May 2001: Swapping $1.05 billion of Brady bonds (pars and discounts) for $1 billion of global bond through a reopening of 10-year global bond issued in January 2001. The transaction realized about $60 million of net present value saving and released $475 million of underlying collateral.
The Mexican government also bought back around $15 million (JPY1.73 billion) of Japanese yen–denominated Brady discount bonds by exercising the embedded call options.

Aug. 2001: The new issuance of a $1.5 billion, 30-year global bond involving a $1.06 billion cash sale and a $440 million exchange for outstanding Brady bonds. Brady swap operation realized about $10 million of net present value savings and liberated $200 million of collateral.

Oct. 2001: Buyback of around $300 million of Brady discount bonds and $100 million (CAD162 million) of Canadian dollar–denominated Brady discount bonds.

Dec. 2001: Buyback of about $400 million (FRF3 billion) of French franc–denominated Brady par bonds.

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Morocco

Feb. 1986: Agreement in principle initiated August 1983.

Sept. 1990: Phase one of this agreement restructures debt; phase two is a DDSR arrangement that will take effect if Morocco has signed an EFF (extended fund facility) agreement with the IMF by December 31, 1991.

Mozambique

May 1987: Outstanding balance consolidated, including interest arrears.

Dec. 1991: Buyback of US$124 million of outstanding commercial bank debt at a 90 percent discount, funded by grants from the IDA debt reduction facility and from France, the Netherlands, Sweden, and Switzerland.

Nicaragua

Dec. 1980: Covers government debt, all maturities, including arrears.

Dec. 1981: Covers nationalized bank debts, all maturities, including arrears.

Mar. 1982: Covers debts of nonfinancial enterprises, all maturities, including arrears.

Feb. 1984: Deferment of service on rescheduled debt.

Dec. 1995: Buyback of US$1.1 billion of outstanding commercial bank debt at 8 cents per U.S. dollar.

Niger

Mar. 1991: Buyback of all commercial bank debt at 82 percent discount (US$107 million). Resources provided by grants from the debt reduction facility for IDA-only countries (US$10 million), France (US$10 million), and Switzerland (US$3 million).

Nigeria

Nov. 1987: Includes short-term debt.

Mar. 1989: Includes line of credit arrears.

Jan. 1992: DDSR agreement providing for a cash-back at 60 percent discount on US$3.3 billion, and debt exchanges on US$2 billion for collateralized 30-year bullet maturity par bonds with reduced interest rates: 5.5 percent for the first three years, 6.25 percent thereafter. Creditor selections: 62 percent for the buyback; 38 percent for the debt-reduction bond. A third option, new money combined with conversion bonds, was not selected by participating creditor banks.

Panama

May 1996: DDSR agreement: Creditors agreed to restructuring of US$3.9 billion in public external debt, including US$2 billion in past-due interest (PDI). The menu for the principal includes: (a) discount bonds at a 45 percent discount of face value (30 years' bullet maturity, market rate, US$87.8 million); (b) par bonds with reduced interest rates and a 30-year bullet repayment (268 million); and (c) front-loaded interest reduction bonds (FLIRBs) for US$1,612.2 million with a tenor of 18 years' maturity including a five-year grace period. The discount and the par bonds are collateralized with respect to the principal by U.S. Treasury zero-coupon bonds, and with respect to interest in the form of a nine-month rolling interest rate guarantee in the first year rising to 12 months in two to three years. The FLIRBs do not require guarantee for the capital, but include a six-month rolling interest guarantee. PDI settlement includes progress payments of US$30 million, a payment at closing of US$100 million, a write-off of US$590.4 million arising from the recalculation of penalty interest at a lower interest rate, and PDI par bonds of US$1,247.6 million with 20 years' maturity, including seven years' grace, and an interest rate of LIBOR + $\frac{13}{16}$ percent. Neither principal nor interest is guaranteed. Moreover, Panama may capitalize for the first six years, and the difference is positive between LIBOR + $\frac{13}{16}$ and 4.0 percent per year.

Sept. 1997: Panama completed $600 million offering of 30-year uncollateralized bonds for $713 million of Brady bonds. The new issue carries an interest rate of 250 basis points above the U.S. Treasury rate. Nominal savings of about $132 million resulted from the differential between the Brady bonds' par and market values ($112 million) and from the pro rata release of the collateral of the Brady bonds ($20 million).

July 2001: Buyback of $160 million of global bond due 2002 using the proceeds from a reopening of a $750 million global bond issued in February 2001. The government offered participating bondholders a cash payment of $1,039 per $1,000 of face value as well as two warrants allowing investors to exercise an option to buy new 10-year global bonds to be issued in January 2002 for $990 in cash.

Peru

Nov. 1996: DDSR agreement: Creditors agreed to restructuring of US$8 billion in public external debt, including US$3.8 billion in past-due interest (PDI). The menu for the principal includes: (a) discount bonds at a 45 percent discount of face value (30 years' bullet maturity, market rate, US$947 million); (b) par bonds with reduced interest rates and a 30-year bullet repayment (US$189 million); (c) front-loaded interest reduction bonds (FLIRBs) for US$1,779 million with a tenor of 20 years' maturity including an eight-year grace period; and (d) a buyback of US$1,266 million at 38 cents per U.S. dollar. The discount and the par bonds are collateralized with respect to the principal by U.S. Treasury zero-coupon bonds, and with respect to interest in the form of a six-month rolling interest rate guarantee secured by cash or permitted investments. The FLIRBs do not require a guarantee for the capital, but they include a six-month rolling interest guarantee. PDI settlement includes progress payments of US$83 million, a payment at closing of US$225 million—a buyback of US$1,217 million at 38 cents per U.S. dollar, and PDI par bonds of US$2,284 million with 20 years' maturity, including 10 years' grace, and an interest rate of LIBOR + $\frac{13}{16}$ percent. Neither principal nor interest is guaranteed. Moreover, Peru may capitalize for the first six years, and the difference is positive between LIBOR + $\frac{13}{16}$ percent and 4 percent per year.

Philippines

Jan. 1990: DDSR agreement provided for US$1,337 million of buybacks at a 50 percent discount.

Dec. 1992: DDSR agreement: Following implementation of a cash buyback of US$1.3 billion on May 14, 1992, banks selected debt exchanges from three options: (1) front-loaded interest reduction par bonds; yielding LIBOR + $\frac{13}{16}$ percent from year seven to maturity (15 years for series A and 15½ years for series B, both including seven years' grace); (2) collateralized step-down/step-up interest reduction bonds yielding 6.5 percent from year six to maturity (25-year bullet maturity for series A and 25½-year for series B); and (3) new money combined with conversion bonds in a 1:4 ratio, with both bonds

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attaining 17½- (series A) or 17-year (series B) maturity, including five years' grace and yielding LIBOR + 13⁄16 percent. Interest payments on both interest reduction bonds covered by a rolling 14-month guarantee. Creditor choices (total US$4.4 billion, 96 percent total eligible debt): buybacks, US$1.3 billion (27.5 percent): option (a) US$0.8 billion (46.3 percent); option (b) US$1.9 billion (41.1 percent); option (c) US$0.5 billion (11.7 percent).

Sept. 1996: The Philippines issued $0.7 billion in Eurobonds in exchange for Brady bonds originally issued to replace commercial bank debt in 1989. The Eurobond was issued in the form of a 20-year note at an interest rate of 8.75 percent.

Oct. 1999: The Philippines completed a $1,006 million, 25-year global bond offering involving $292 million cash sales and $714 million exchange for $858 million of Brady bonds. The new issue carries a semiannual coupon of 9.5 percent to yield 318 basis points above the U.S. Treasury rate.

Poland

July 1984: Includes some short-term trade credits.

Sept. 1986: Covers debt rescheduled in 1982.

July 1988: MYRA. Also improved the terms of earlier agreements.

June 1989: Principal due May 1989—December 1990 deferred until December 1991; and in October, the interest due in the fourth quarter of 1989, US$145 million, was deferred until the second quarter of 1990.

Oct. 1994: DDSR agreement. Creditors restructured US$14.4 billion. Three categories of debt were affected: (a) long-term debt covered by the 1988 restructuring agreement (US$8.9 billion), (b) debt due under the Revolving Short-Term Arrangement (RSTA) (US$1.2 billion), (c) past-due interest not otherwise restructured (US$4.3 billion). The first category was subject to a menu approach: US$2.1 billion of long-term debt was repurchased at 41 cents per U.S. dollar, and US$0.3 billion of RSTA debt was repurchased at 38 cents per U.S. dollar. For the remaining long-term debt, creditors chose between: (1) discount bonds—45 percent discount (US$5.4 billion), (2) par reduced fixed interest bonds (US$0.9 billion), (3) conversion bonds combined with new money bonds equal to 35 percent of the amount converted (US$0.4 billion). The discount bonds and par bonds have 30-year bullet maturities and feature collateralization of principal only. Interest on the discount bonds is LIBOR + ½ percent. Interest on the par bonds is 2.75 percent for the first year, rising to 5 percent for year 21. The conversion bonds have a 25-year maturity, including a 20-year grace period. Their yield in year one is 4.5 percent, rising to 7.5 percent in year 11. The new money bonds have a 15-year maturity, including a 10-year grace period and yield LIBOR + 1½ percent. The new money and conversion bonds are not collateralized.

The RSTA debt not repurchased (US$0.9 billion) is exchanged for 30-year bullet maturity fixed interest bonds, with similar (but slightly different) step-down/step-up arrangements as the par bonds, starting at 2.75 percent in year one and gradually rising to 5 percent in year 21.

For PDI, US$8 billion was repurchased with related long-term and RSTA principal. A portion is to be settled with cash payments at closing (US$63 million). A portion was written off (US$0.8 billion), and the remainder (US$2.7 billion), was converted into fixed-interest-rate bonds yielding 3.25 percent in year one, rising to 7 percent in year nine. Maturity is 20 years, including seven years of grace. Amortization is graduated.

Oct. 2000: Buyback of $943 million of Brady bonds, $138 million of 15-year new money bonds, and $805 million of discount bonds. This buyback operation was financed by the receipt of hard currency earning from the privatization of telecommunications company TPSA to a consortium led by France Telecom.

Romania

Sept. 1986: Covers previously rescheduled debt only.

Russian Federation

Dec. 1991: Deferment of principal due in December 1991—March 1992 on pre-1991 debt. The deferment was extended for each consecutive quarter until the end of 1993.

July 1993: Reschedule the stock of former Soviet Union debt contracted prior to January 1, 1991 (US$24 billion), to be repaid with 15-year maturity including a five-year grace period. In the fourth quarter of 1993, US$500 million was to be paid on interest accruing during 1993. At the end of 1993, all remaining unpaid interest (estimated at $3 billion) was to then be consolidated and repaid at a 10-year maturity, including five years' grace. The 1993 interest payments were not made; the agreement was not implemented, mainly because Russia refused to accept the bankers' requirement that sovereign immunity be waived. However, an understanding was reached on October 5, 1994, that the banks would drop their insistence on a waiver of sovereign immunity and that the Vneshekonombank (or another public entity) would guarantee the debts. Signing and payment of the US$500 million was expected by the end of 1994.

Nov. 1995: Agreement in principle. Heads of terms were signed for a comprehensive rescheduling of debt of the former Soviet Union in the amount of $25.5 billion of principal outstanding and $7.5 billion in accrued interest due. The eligible principal was to be repaid over 25 years, with seven years of grace, beginning December 15, 1995, in 37 semiannual payments on a graduated schedule at LIBOR + 13⁄16 percent per year. It was further agreed that an interest note for $6 billion would be issued with a 20-year maturity and seven years' grace from December 15, 1995, that would be the same interest rate as listed on the Luxembourg Stock Exchange. The remaining $1.5 billion in interest arrears was paid over 1995–96. By September 1996, the minimum subscribership by commercial banks of $20 billion in outstanding principal was reached, and this triggered the Russian agreement to the rescheduling package.

Nov. 1998: The outline agreement to restructure $13.5 billion of defaulted Treasury bills (GKOs and OFZs). Under the restructuring plan, 10 percent of the defaulted bills is to be redeemed in cash rubles, and 20 percents of the debt is to be exchanged for three-year zero-coupon bonds. The remaining 70 percent of the debt is to be restructured into four-year and five-year variable coupon bonds.

Feb. 2000: Agreement to restructure $31.8 billion Soviet-era debts owed to the London Club of commercial banks. The London Club's creditors agreed to write off $11.6 billion of the principal and a seven-year grace period for principal repayments, and swapping the rest of its defaulted debts (principal notes and interest arrears notes) for new 30-year Eurobonds. The interest rate on a new Eurobond was set at 2.25 percent for the first six months, 2.5 percent for the second six months, and 5

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percent for years two and seven—yielding 7.5 percent a year.

São Tomé and Principe
Aug. 1994: Buyback under the IDA debt reduction facility at 10 cents per U.S. dollar. US$10.1 million of principal was extinguished (87 percent of eligible debt).

Senegal
Dec. 1996: Debt buyback at 8 cents per U.S. dollar of US$80 million owed to commercial banks. Funding for the operation was provided by the IDA debt reduction facility.

Sierra Leone
Jan. 1984: Covers arrears as of December 31, 1983.
Aug. 1995: Buyback, at 13 cents on average per U.S. dollar, of US$235 million due to commercial banks funded by grants from IDA debt reduction facility and other donor countries.

South Africa
Sept. 1993: Covers arrears of interest.

Sudan
Nov. 1981: Includes arrears of principal and some short-term debt.
Mar. 1982: Covers arrears of interest and modifies the 1981 agreement.
Apr. 1983: Modification of the 1981 agreement.
Oct. 1985: Covers arrears of interest.

Tanzania
Apr. 2001: Buyback of $76.6 million of eligible principal debt and about $79.2 million of associated interest under the IDA debt reduction facility. The buyback price was set at 12 cents per dollar of the principal amount with a 5 percent of foreign exchange risk margin. The IDA and the governments of Germany and Switzerland provided funding for the operation.

Togo
Mar. 1980: Balance of debts to French banks, including arrears of principal. Interest rates vary by currency.
Oct. 1983: Covers all commercial bank debt, including previously rescheduled debt.
May 1988: Restructuring of the 1983 agreement.
Dec. 1997 Debt buyback at 12.5 cents per dollar of $46.1 million owed to commercial banks. Funding for the operation was provided by the IDA debt reduction facility.

Turkey
Mar. 1982: Improved the terms of the August 1979 agreement.
June 2001: Swapping of short-term lira-denominated debts into longer-term dollar linked and floating rate lira paper through Dutch style auction. About $7.3 billion of debt was exchanged in the initial auction and $740 million was swapped in the following supplementary auction.

Uganda
Feb. 1993: Buyback of US$153 million commercial bank debt, funded by grants from the IDA debt reduction facility and other donor countries.

Ukraine
Sept. 1998: As the part of the government's voluntary debt conversion scheme, Ukraine offered to exchange $590 million (principal plus interest) of short-term domestic Treasury bills held by nonresidents for dollar-denominated Eurobonds with a maturity of two years and a minimum yield of 22 percent.
July 1999: Agreement to restructure a 10-month $163 million Eurobond (including principal and interest). Under this restructuring scheme, instead of making the $163 million repayment due in June 1999, Ukraine repays 20 percent of bond in cash and swaps the remaining 80 percent into a deutsche mark–denominated Eurobond with a maturity of three years and a coupon yield of 16 percent.
Feb. 2000: Agreement to restructure $2.7 billion of the short-term debt obligations. Under the restructuring terms, no debt forgiveness or reduction in principal was required from bondholders, and all accrued interest on existing eligible bonds would be paid in full and in cash; and all accepting investors would be offered a new seven-year Eurobond, denominated in either euros or U.S. dollars, at an interest rate of 10 percent for euro-denominated bonds and 11 percent for dollar-denominated bonds.
Mar. 2001: About $21.5 million of the external debt was exchanged for a 6-year Eurobond, denominated in either euro at an interest rate of 10 percent or U.S. dollar at an interest rate of 11 percent. Bond eligible for the exchange were deutsche mark 16 percent Eurobond due in February 2001, euro 10 percent amortizing notes due in March 2007, U.S. dollar 11 percent amortizing notes due in March 2007, and U.S. dollar 11 percent amortizing notes due in March 2007.

Uruguay
July 1986: MYRA.
Mar. 1988: Includes improved terms of the July 1986 agreement.
Feb. 1991: DDSR agreement. The agreement provided for cash buyback at a 44 percent discount (US$628 million), collateralized debt reduction bonds (US$535 million), and new money (US$89 million) combined with debt conversion notes (US$447 million). The repayment terms are: 30-year bullet maturity and 6.75 percent fixed interest for the interest reduction bonds, 16-year maturity including seven years' grace with LIBOR + ⅞ percent interest for the conversion notes, and 15-year maturity including seven years' grace with LIBOR + 1 percent interest for the new money notes.
Sept. 1999: In September 1999, Uruguay swapped $96 million of Brady bonds for $85 million of 30-year global bonds.

Venezuela, República Bolivariana de
Feb. 1986: MYRA. Agreed in principle in September 1984.
Nov. 1987: Reduced the spread and extended the maturities of the 1986 agreement.
Sept. 1988: Interest spread reduced on February 1986 agreement.
Dec. 1988: Exchange of debt for bonds outside the framework of the main negotiations.
Dec. 1990: DDSR agreement featuring buybacks in the form of 91-day collateralized short-term notes (US$1,411 million), exchange for bonds at 30 percent discount (US$1,810 million), exchange at par for reduced fixed-rate interest bonds (US$7,457 million), exchange for bonds at par with temporary step-down interest rates (US$3,027 million), and new money combined with debt conversion bonds (US$6,022 million).
Sept. 1997: The República Bolivariana de Venezuela retired $4.4 billion of Brady bonds in exchange for $4 billion of uncollateralized 30-year bonds at an interest rate of 325 basis points above the U.S. Treasury rate. The operation

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resulted in nominal savings of about $1.8 billion from the differential between the Brady bonds' par and market values ($0.4 billion) and from the pro rata release of the collateral of the Brady bonds ($1.4 billion).

Vietnam

Dec. 1997: DDSR agreement restructuring US$310.9 million of principal and US$486.2 million of past-due interest (PDI). For the restructured principal, $20.4 million repurchased at 44 cents per U.S. dollar, US$51.6 million was exchanged for discount bonds (50 percent discount); and $238.9 million was exchanged for par fixed interest bonds. Both bonds have a 30-year maturity, but the discount bond is repayable in a bullet payment in year 30, while the par bond has a step-up amortization schedule beginning in year 15. Also, 50 percent of the face value due of the par bond is due at maturity. The discount bond is subject to an interest rate of LIBOR + $\frac{13}{16}$ while the par bond is subject to step-up interest rates rising from 3 percent in years one and two to 5.5 percent in years 21–30. One hundred percent of the discount bonds and 50 percent of the par bonds are guaranteed by U.S. Treasury zero-coupon bonds, and the discount bonds have a six-month rolling interest guarantee. Regarding PDI, US$15 million was paid at closing, US$294.8 million was exchanged for noncollateralized bonds with an 18-year maturity including seven years of grace and step-up interest rates, $21.8 million was repurchased at 44 cents per dollar, and US$154.6 million was written off.

Yemen, Republic of

June 2001: Buyback of $362 million of principal and $245 million of associated interest under the IDA debt reduction facility. The buyback price was set at 2.94 cents per dollar of the principal amount. The IDA and the governments of the Netherlands, Norway, and Switzerland provided funding for the operation.

Yugoslavia, Federal Republic of (Serbia/Montenegro)

Oct. 1983: Includes a one-year rollover of short-term bonds.

Dec. 1985: MYRA.

Zaire

Apr. 1980: Covered stock of debt as of the end of 1979, including arrears.

Jan. 1983: Rescheduling principal due under the April 1980 agreement.

June 1984: Rescheduling principal due under the April 1980 agreement.

May 1985: Rescheduling principal due under the April 1980 agreement.

May 1986: Rescheduling principal due under the April 1980 agreement.

May 1987: Rescheduling principal due under the April 1980 agreement.

June 1989: Finances monthly payments on outstanding claims, mainly interest on arrears.

Zambia

Dec. 1984: Includes arrears as of February 28, 1983.

Sept. 1994: Buyback under the IDA debt reduction facility at 11 cents per U.S. dollar. US$200 million of principal was extinguished (75 percent of eligible debt), using US$10.5 million of IDA resources and US$22.3 million from other donors.

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