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**TANZANIA DEBT CONVERSION PROGRAM:
REPORT ON SECOND PHASE OF
USAID TECHNICAL ASSISTANCE**

September 28, 1989

**International Resources Group
1400 I Street, N.W. Suite 700
Washington, D.C. 20005**

TANZANIA DEBT CONVERSION PROGRAM
REPORT ON SECOND PHASE OF USAID TECHNICAL ASSISTANCE
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INTRODUCTION

In early 1989, the Government of Tanzania passed legislation authorizing establishment of a formal debt conversion program. Shortly thereafter, the Bank of Tanzania asked the United States Agency for International Development (USAID) for assistance in establishing and structuring the Government's program.

As the first step in providing such assistance, the USAID Mission in Dar es Salaam contracted with the International Resources Group Ltd. (IRG) to help the Bank of Tanzania draft detailed debt conversion program guidelines. The Bank of Tanzania (BoT) and IRG completed draft guidelines in early June 1989. The BoT decided to focus at least initially on conversion of uninsured short-term commercial bank and private trade/supplier arrears and external remittance arrears on deposit with the National Bank of Commerce or the BoT. Together, these were estimated to total over \$800 million. The BoT also decided to give priority to use of the conversion proceeds to finance export-oriented projects, tourism, and environmental conservation or other developmentally beneficial projects.

In the second phase of technical assistance, AID Washington contracted with IRG and, as prime contractor, Labat-Anderson Inc. to assess and where necessary help the BoT upgrade the computer-based information systems necessary to identify and verify the quantity and composition of debt available for conversion. IRG consultant Margaret McMillan made an initial five-week visit to Dar es Salaam in July 1989. This report summarizes the results of that visit as well as subsequent discussions with the BoT, private financial and export credit insurance institutions, and USAID.

CURRENT DATABASE

In 1985, the British merchant bank Morgan Grenfell set up a database to enable the Government of Tanzania to identify and track the country's short-term external debt. Initially, the Bank had hoped to be able to download this data on commercial trade arrears, currently on Wang minicomputers, onto microcomputers and then to update and use this database for the debt conversion program. After discussion with Morgan Grenfell and with Dr. Rashidi, Director External Debt and Computer Services, and Mr. Mkila, Manager External Debt, Ms. McMillan concluded that the Morgan Grenfell data was too outdated to be useful. The original data compiled in 1985 had several gaps, and in its final project report Morgan Grenfell had stated that a number of verifications were still necessary. None of the verifications were completed, and the data base has not been updated or verified since Morgan Grenfell's departure.

More recently, the Swedish International Development Agency (SIDA) set up a system at the National Bank of Commerce (NBC) to compile data on external payment

arrears. SIDA entered arrears from the beginning of 1978 through June 1989. The NBC database includes arrears for all branches of the NBC and is stored on four IBM PS2s. The largest branch, Foreign Branch, is stored on one computer located at Foreign Branch. The other three computers are located at NBC headquarters and are used to compile hand-typed returns from all of the other branches of NBC.

After reviewing the database, Dr. Rashidi, Mr. Mkila and Ms. McMillan decided that the best approach was to compile a database for the debt conversion program using the data prepared by the NBC. They felt that using NBC's database would assist with both the immediate requirement of an up to date picture of Tanzania's short term debt and with the very important task of coordinating with the NBC on an ongoing basis.

BoT DATABASE CONVERSION REQUIREMENTS

Some important pieces of information are missing from the current NBC database. First, length of maturity of the debt is not recorded. Second, whether or not the debt has been guaranteed by an official export credit guarantee agency is not recorded and, consequently, no note is taken of which debt has been rescheduled by these agencies. Finally, it is likely that some parastatal debt is missing from the NBC database.

Maturity of the debt is important for two reasons. First, the BoT, with assistance from the Commonwealth Secretariat, is in the early stages of computerizing all medium and long term debt. Without data on maturities, there may be some overlap between the NBC and BoT databases. Also, once a debt has been extinguished through conversion, it will be necessary to know the maturity in order to record that on the appropriate database. Second, in some cases, the Bank's management may want to prioritize debt conversions in terms of length of maturity of the debt. For example, it may make more sense to convert a short term debt with a high penalty interest rate rather than a medium or longer term debt. Some of this information can be obtained from the Paris Club records, some from the NBC branches and some directly from the borrowers.

Whether or not the debt has been guaranteed by export credit agencies is the most critical information for the debt conversion program since this will largely determine both eligibility of the debt and who the players in the debt conversion program will be. Debt which is not insured by an official export credit guarantee agency clearly is eligible under the current program guidelines. On the other hand, debt which has been guaranteed by such agencies is considered as official (Paris Club) debt and therefore would be ineligible under the terms of the present debt conversion guidelines. Also, since under a recent Paris Club agreement all such officially guaranteed export credit arrears have been rescheduled until 1992, they no longer are arrears. (The Bank of Tanzania may want to consider including such guaranteed credits in the debt conversion program if the export credit agencies express a willingness to sell such debt at a discount to private investors. So far, most such sales have been by Eastern European and Latin American guarantee agencies. However, the Spanish export credit agency reportedly has sold some of its guaranteed credits (with a country other than Tanzania, for a debt conversion transaction.)

Finally, although BoT officials believe that all short-term external obligations of all parastatals already have been entered in the NBC system, the general impression -- discussed in greater detail in the next section -- is that it is highly likely that there are substantial parastatal arrears that are not presently recorded in NBC database.

DEBT AVAILABLE FOR CONVERSION

Despite the limitations discussed above, the NBC database currently is the best there is. Therefore, to obtain an initial estimate of how much debt likely would be available for the debt conversion program and the profile of that debt, Ms. McMillan used the NBC's database of external payment arrears to produce the following reports (attached):

- (1) Summary of the NBC's External Payment Arrears by currency as of 6/30/89.
- (2) Summary of NBC's External Payment Arrears by category.

In addition, details of each arrear by currency were left in Mr. Mkila's office. The detailed reports were prepared for use by the Bank to verify individual amounts for debt conversion until all the data can be stored in a central location. Once an amount has been identified in NBC's records, however, the Paris Club records in the External Debt Office of the Bank should be checked to determine what debt was officially guaranteed and therefore has been rescheduled.

The total figure for external payment arrears as of June 1989, according to the NBC database, is US\$714.4 million. This figure is slightly understated since five branches are not yet current through June 1989 (see Attachment 1).

A substantial portion of this amount is guaranteed by export credit agencies. The Bank for International Settlements, Statistics on External Indebtedness, January 1989, reported Tanzania's official and officially guaranteed or insured trade-related debt at US\$577.0 million as of June 30, 1988. This would leave US\$137.0 million in uninsured trade credits. Records provided to the BoT by the members of the Paris Club indicate approximately US\$690 million worth of debt guaranteed by export credit agencies (Attachment 3), which would suggest that uninsured commercial debt totals less than \$25 million.

The consultant team believes that the BIS figures are likely to be the more correct. The difference between the BoT figure of \$690 million and the BIS figure of \$577 million appears due primarily to the fact that in many cases it was impossible to separate private guarantees from public guarantees in the BoT information without going through the data loan by loan. As a result, the BoT's figure is likely to be an overestimate of commercial trade arrears guaranteed by export credit agencies.

This hypothesis is supported by discussions with commercial and investment bankers

from Morgan Grenfell, Bankers Trust, Equator Bank, Citicorp, Chase, Grindlays, NMB and other institutions indicating that there probably is more than \$137 million in uninsured trade credits. While no single banker is willing to quote an exact figure, all have been approached by private agents wishing to sell large quantities of uninsured Tanzanian trade debt. Also, one Lloyds of London member has insured one company alone for over 6 million pounds sterling in Tanzanian trade debt.

Finally, the consultant team believes that the NBC figure of \$714.4 million underestimates Tanzania's total trade debt because some debt incurred by parastatals or private companies probably has not been reported. Discussions with individuals at Morgan Grenfell and the World Bank's External Debt Department confirm that Tanzania's parastatals have a poor record for reporting debt and therefore that it is highly likely that the figure of \$714.4 million is an underestimate of Tanzania's commercial trade arrears.

For all the reasons presented above, the consultant team concludes that total uninsured commercial external arrears eligible for debt conversion under the current BoT guidelines exceed \$100 million, probably by a significant margin. The actual amount eligible can be known with certainty only by a detailed review of each instrument currently in the NBC database, cross-checking against the lists of rescheduled credits provided by each of the official export credit guarantee agencies, and discussions with each parastatal that may have incurred external obligations.

RECOMMENDATIONS

The following is a list of steps which the Bank of Tanzania should take to further organize itself to manage and monitor the debt conversion program. These recommendations are followed by possible ways in which USAID could be of assistance.

A. BANK OF TANZANIA

1. Establish a central location at the Bank of Tanzania where all data on commercial trade arrears can be stored, verified, and updated on a routine basis.
2. Designate at least one, and preferably two, BoT staff members who will be responsible for inputting, updating and maintaining the database.
3. Request assistance from SIDA for training of these staff members in Dataflex.
4. Transfer the existing NBC data to a new IBM PS2, compatible with those already in NBC, installed at the BoT.
5. Use the Bank of Tanzania's Paris Club records and other sources (a) to identify those debts recorded by the NBC which have been

guaranteed and (b) to distinguish between short term and medium term debt. Consult with SIDA's programmers as to the best way to input this new information into the existing NBC data system, e.g., will it be necessary to do some reprogramming or can the system as it is accommodate the new data requirements?

6. Determine how much effort will be required to retrieve missing data from the parastatals. For example, if the export credit agencies have recorded amounts owed by parastatals of which NBC has no record, the Bank will know that it will be necessary to visit that parastatal and to add that information to NBC's database. It also would be desirable to visit a sample of the parastatals to test whether their records of outstanding obligations correlate with those in the NBC database. If there are major discrepancies, a thorough review of all parastatals, or at least those likely to account for most of the external arrears, will be necessary.
7. Separate the uninsured trade credits from the insured trade credits since the latter have been rescheduled. Then, analyze the uninsured trade debt by age, currency, category and creditor. Determine the best way to verify the uninsured debt to find out who is holding that debt at present.
8. Examine the possibility of including export credit agency debt in the debt conversion program. Formulate a strategy for approaching export credit agencies with proposals for participation in the debt conversion program.
9. Determine how best to record the information on guarantees and maturity on an ongoing basis. This analysis should involve a review of BoT and NBC reporting systems to determine what information is available, how it is recorded, and how the branches should report the information to the head office of the NBC and ultimately the Bank.
10. Establish communication between SIDA and the Commonwealth Secretariat in order to insure that there is no overlap in the databases and to further improve the quality of the NBC database.
11. Review procedures for monitoring proceeds of conversions and for notifying debt holders that debt has been cancelled.
12. Establish procedures for recording both at the NBC and at the BoT those debts which have been converted and the details of the conversion.

B. UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT

There are a number of needed types of assistance, to be provided by USAID or other donors, which follow directly from this Phase Two report:

1. Provide an IBM PS2 model 70 for the External Debt Office of the Bank of Tanzania to be used to store all of the information on commercial trade arrears.
2. Assure coordination of upgrading of database on external payment arrears. In particular, someone should assist in or oversee the Bank staff members' inputting of information on guarantees and maturity of debt and make sure that this information is cross-checked with the information that the Commonwealth Secretariat is processing. Someone should also make sure that the NBC begins to verify and input the necessary information on an ongoing basis.
3. Review NBC and BoT reporting procedures and make suggestions to improve the quality of data included on the external payment arrears system. This should include a written report of existing procedures and detailed steps for improving them.
4. Provide assistance to the BoT in the verification of uninsured debt.
5. Assist in identifying parastatal debt missing from the external payment arrears system, making sure that it is recorded on the system and determining why it was not reported in an effort to improve the quality of reporting in the future.
6. Assist in determining whether it would be appropriate to use officially guaranteed export credits for the debt conversion program and, if so, in formulating a strategy for approaching export credit agencies.
7. Offer assistance in monitoring the proceeds of the debt conversion program. This should include training of Bank staff in the use of software packages such as LOTUS and EXCEL to a) evaluate debt conversion proposals, b) design spreadsheets to record disbursements to approved projects and c) design a spreadsheet to aggregate disbursements to all projects and monitor the inflationary impacts of the program.

There also is an important technical assistance need identified in Phase One which, now that program startup is imminent, is of great importance: to assist the Government, if and as it sees fit, in:

- (1) Establishing the Government's internal process for reviewing individual debt conversion proposals (for example, the respective roles of the line ministries, Ministry of Finance and BoT), which must be presumed to operate in tandem with foreign investment promotion/approval processes;
- (2) Assessing the initial set of debt conversion proposals, with the explicit purpose of using these assessments as a learning experience for BoT/Government staff; and
- (3) Evaluating and where necessary revising the internal review process based on the actual experience with these initial proposals, and incorporating this into the debt conversion procedures handbook being written by the BoT.

NEAR-TERM PRIORITIES

Of the recommendations listed above, now that the Government has announced that it is proceeding with the program, the highest near-term priority is to establish and effectively implement a review and approval process for the first set of debt conversion proposals, including those already received, and to use this, as modified by the Government's initial experience, as the basis for ongoing process which investors and creditors thoroughly understand. It then is important to keep the process in place long enough to elicit investor response, which invariably takes some time to build up, and to give investors a feeling of confidence in the stability of the program.

The next highest priority, which will be required in order to verify the eligibility of the specific debt instruments proposed to be used, is to establish a data unit in the BoT, assign one or two qualified staff members to that unit full-time, install a new PS2 in the unit's offices, and download the existing NBC database into that PS2. Depending on the BoT staff assigned, there also is likely to be a priority need for training in database maintenance and manipulation.

The tasks of upgrading the external payment arrears system to include maturity of debt and identifying and entering debt that has not been reported by parastatals will take some time. More immediately, using the Paris Club lists of guaranteed credits to distinguish insured versus uninsured trade debt (excluding missing parastatal debt) should be made a priority and could be obtained within a couple of weeks. Verification of this debt could then proceed concurrently with review of the initial debt conversion proposals.

Training of Bank staff in software packages for project evaluation and in monitoring of the debt conversion program is also desirable. Depending on the role the Bank is going to play vis-a-vis the line ministries in approval of individual debt conversion projects, this training could be part of the broader assistance to the BoT, described above, in evaluating/ranking the initial set of debt conversion proposals and in using this experience to prepare a simple proposal review handbook for the BoT.

A separate study of NBC and BoT procedures for reporting both new debt obligations and debt extinguished should take place at the same time that a Bank team is working on the database.

Finally, the BoT may want to begin to formulate a strategy vis a vis the export credit agencies. For example, the insured Japanese debt amounts to approximately US\$ 170 million and is clearly broken down into private and public debt. The BoT could review options for including this debt in the debt conversion program and then informally sound out the Japanese prior to making a formal proposal.

RESOURCE REQUIREMENTS

In a separate Telex to USAID/Tanzania, Labat-Anderson and IRG have provided preliminary estimates of the consultant time required to provide the various types of technical assistance discussed above. More refined task-by-task estimate can be developed once the Government of Tanzania is clear both what it wants and what of this assistance it desires from AID rather than from other donors.

The consultant team believes that the most important short-term need in addition to procurement and installation of a PS2 for the BoT, is for a senior investment and debt conversion specialist for roughly 10-15 days to assist in evaluation of the initial debt conversion proposals and in training Government of Tanzania staff in techniques for evaluating proposed projects or enterprises (including evaluating the proposed financial packages). This specialist also could help the BoT complete its Handbook of Debt Conversion Procedures, especially those sections relating to internal proposal evaluation.

ATTACHMENTS

17-Aug-89

SUMMARY OF EXTERNAL PAYMENT ARREARS BY CURRENCY AS AT JUNE 30, 1989 (1)

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PARTS CLUB AGREEMENTS NOT CONSIDERED

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CURRENCY	AMOUNT IN FOREIGN CURRENCY	EXCHANGE RATE	AMOUNT IN TShs. (Millions)	AMOUNT IN USD (Thousands)	PERCENT OF TOTAL
.....
AUSTRALIAN DOLLAR	3,111,057.38	111.41	346.60	2,390.36	0.33%
AUSTRIAN SHILLING	61,774,003.37	10.89	672.72	4,639.44	0.65%
BELGIAN FRANCS	1,431,930,556.71	3.64	5,212.23	35,946.39	5.03%
BRITISH POUNDS	74,687,746.26	235.48	17,587.47	121,292.90	16.98%
CANADIAN DOLLARS	679,716.51	123.66	84.05	579.68	0.08%
DANISH KRONER	46,022,378.79	19.66	904.80	6,240.00	0.87%
DEUTSCHE MARKS	137,597,464.08	76.56	10,534.46	72,651.46	10.17%
DUTCH GUILDERS	51,139,690.75	67.89	3,471.87	23,943.96	3.35%
FRENCH FRANC	124,166,572.24	22.64	2,811.13	19,387.11	2.71%
INDIAN RUPEES	461,415,986.55	9.36	4,318.85	29,785.20	4.17%
ITALIAN LIRA	5,293,548,555.73	0.11	582.29	4,015.81	0.54%
JAPANESE YEN	26,694,854,355.10	1.04	27,762.65	191,466.54	26.80%
KENYA SHILLINGS	24,170,406.52	6.84	165.33	1,140.18	0.16%
MALAWI KWACHA	15,879.05	52.43	0.83	5.74	0.00%
MOZAMBIQUE METICALS	6,950,573.20	0.19	1.32	9.11	0.00%
NORWEGIAN KRONER	37,022,394.42	20.86	772.26	5,326.12	0.75%
PAKISTAN RUPEES	12,158,100.49	6.91	84.01	579.40	0.08%
SWEDISH KRONER	26,849,088.64	22.41	601.69	4,149.57	0.58%
SWISS FRANCS	54,370,546.51	89.00	4,038.98	33,372.27	4.67%
UGANDA SHILLING	27,066,648.78	0.72	19.49	134.40	0.02%
U.S. DOLLARS	157,295,845.68	145.00	22,807.90	157,295.85	22.02%
ZAMBIAN KWACHA	357,513.80	9.16	3.27	22.59	0.00%
ZIMBABWE DOLLARS	67,456.00	66.90	4.51	31.12	0.00%
TOTALS			103,568.75	714,405.19	100.00%

NOTES:

(1) All branches are current through June 30, 1989 except Igiga, Clock Tower, Masoko House Bank House and Ubungu. These last five branches are current through November 1988. As a result the totals are underestimated.

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SUMMARY OF EXTERNAL PAYMENT ARREARS BY CATEGORY

PARIS CLUB AGREEMENTS NOT CONSIDERED

CATEGORY =====	AMOUNT IN TShs. (Millions) =====	AMOUNT IN USD (Millions) =====	PERCENT OF TOTAL =====
1 IMPORT BILLS UNDER LETTER OF CREDIT	30,884.12	212.99	29.81%
2 IMPORT BILLS UNDER COLLECTION	46,063.05	317.68	44.47%
3 EXPATRIATES 1/3 REMITTANCES	446.00	3.68	0.43%
4 EXPATRIATES REMITTANCES	1,597.47	11.02	1.54%
5 OTHER SERVICES	24,598.11	169.64	23.75%
	=====	=====	=====
TOTALS	103,588.75	714.41	100.00%

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DEFINITION OF EXTERNAL PAYMENT ARREARS CATEGORIES

1 IMPORT BILLS UNDER
LETTER OF CREDIT

The risk for these credits is born by NBC's foreign bank which has extended a letter of credit on behalf of NBC. The foreign exporter has been paid and the amount outstanding is owed to a foreign bank.

2 IMPORT BILLS UNDER
COLLECTION

The risk for these credits is born by the foreign exporter. No letter of credit was issued and therefore the foreign exchange is owed by NBC to the foreign exporter.

3 EXPATRIATES
1/3 REMITTANCES

These amounts are owed to expatriates who have been working in Tanzania and were given the right by BOT to remit 1/3 of their salary in foreign currency.

4 EXPATRIATES
REMITTANCES

These amounts are owed to expatriates who have finished working in Tanzania, sold their belongings and deposited the proceeds with NBC.

5 OTHER SERVICES

This category includes miscellaneous payments for which foreign currency was not available including, commissions, interest on overdue bills, school fees, medical expenses, educational supplies, insurance, membership fees and subscriptions.

AMOUNTS GUARANTEED BY EXPORT CREDIT AGENCIES BY CURRENCY

PARIS CLUB AGREEMENTS 1 & 2

COUNTRY (1)	EXPORT CREDIT AGENCY	DATE OF AGREEMENT	CURRENCY	AMOUNTS IN FOREIGN CURRENCY	EXCHANGE RATES 9/10/89	AMOUNTS IN TShs. (Millions)	AMOUNT IN USD (Thousands)
=====	=====	=====	=====	=====	=====	=====	=====
AUSTRIA	DEF	30/6/88	AUS	3,735,876.00	10.89	40.68	280.58
AUSTRIA	DEF	30/9/86	AUS	56,017,846.49	10.89	610.03	4,207.13
			SUB-TOTAL	59,753,722.49		650.72	4,487.71
BELGIUM	OND	30/9/86	BEC	50,765,463.00	3.64	184.79	1,274.39
BELGIUM	OND	30/6/88	BEC	411,322,010.00 (3)	3.64	1,497.21	10,325.60
NETHERLANDS	NCM	30/9/86	BEC	4,267.00 (5)	3.64	0.02	0.11
BELGIUM	OND	30/9/86	BEC (2)	2,065,952,948.00	3.64	7,520.07	51,862.54
			SUB-TOTAL	2,528,044,688.00		9,202.08	63,462.64
FRANCE	COFACE	30/9/86	DEM	6,545,077.20 (5)	76.56	501.09	3,455.80
ITALY (2)	SACE	30/9/86	DEM	17,176,310.28 (5)	76.56	1,315.02	9,069.09
NETHERLANDS	NCM	30/9/86	DEM	1,486,281.00 (5)	76.56	113.79	784.76
WEST GERMANY	HERMES	30/9/86	DEM	49,564,154.44	76.56	3,794.63	26,169.87
NETHERLANDS	NCM	30/9/86	DEM	1,195,379.00 (5)	76.56	91.52	631.16
UNITED KINGDOM	ECGD	30/9/86	DEM	95,000.00	76.56	7.27	50.16
NETHERLANDS	NCM	30/9/86	DEM	11,590,543.00 (5)	76.56	887.37	6,119.81
SWITZERLAND	UNION BANK OF S	30/9/86	DEM	5,526,406.00	76.56	423.10	2,917.94
BELGIUM	OND	30/9/86	DEM	1,374,610.85	76.56	105.24	725.79
			SUB-TOTAL	94,553,761.77		7,239.04	49,924.39
UNITED KINGDOM	ECGD	30/9/86	DFL	9,890.00	67.89	0.67	4.63
WEST GERMANY	HERMES	30/9/86	DFL	93,654.72	19.66	1.84	12.70
NETHERLANDS	NCM	30/9/86	DFL	11,633,016.00 (5)	67.89	789.77	5,446.66
NETHERLANDS	NCM	30/9/86	DFL	99,024,776.00 (5)	67.89	6,722.79	46,364.08
NETHERLANDS	NCM	30/9/86	DFL	4,324,965.00 (5)	67.89	293.62	2,024.98
			SUB-TOTAL	115,086,301.72		7,808.69	53,853.05

NETHERLANDS	NCM	30/9/86	DKR	268,286.00 (5)	19.66	5.27	36.38
DENMARK	EKD	30/9/86	DKR	42,738,818.00	19.66	840.25	5,794.79
NETHERLANDS	NCM	30/9/86	DKR	733,874.00 (5)	19.66	14.43	99.50
				-----		-----	-----
			SUB-TOTAL	43,740,978.00		859.95	5,930.67
FINLAND	VIL	30/6/88	FIM	11,920,542.19 (4)	33.96	404.82	2,791.87
FINLAND	VIL	30/9/86	FIM	35,477,771.40 (4)	33.96	1,204.83	8,309.14
				-----		-----	-----
			SUB-TOTAL	47,398,313.59		1,609.65	11,101.01
FRANCE	COFACE	30/6/88	FRF	122,632,875.39 (5)	22.64	2,776.41	19,147.64
WEST GERMANY	HERMES	30/9/86	FRF	96,783.78	22.64	2.19	15.11
FRANCE	COFACE	30/9/86	FRF	508,399,508.75 (5)	22.64	11,510.16	79,380.45
				-----		-----	-----
			SUB-TOTAL	631,129,167.92		14,288.76	98,543.20
UNITED KINGDOM	ECGD	30/9/86	GBP	67,000,000.00	235.48	15,777.16	108,808.00
NETHERLANDS	NCM	30/9/86	GBP	154,168.00 (5)	235.48	36.30	250.37
BELGIUM	OND	30/9/86	GBP	6,540.00	235.48	1.54	10.62
WEST GERMANY	HERMES	30/9/86	GBP	25,077.73	235.48	5.91	40.73
				-----		-----	-----
			SUB-TOTAL	67,185,785.73		15,820.91	109,109.72
JAPAN	EXIM	30/6/88	JPY	614,187,269.70	1.04	638.75	4,405.21
JAPAN	EXIM	30/9/86	JPY	1,289,843,884.00	1.04	1,341.44	9,251.29
JAPAN	MITI	30/9/86	JPY	21,542,076,805.00	1.04	22,403.76	154,508.69
				-----		-----	-----
			SUB-TOTAL	23,446,107,958.70		24,383.95	168,165.19
ITALY (2)	SACE	30/9/86	LIT	9,024,728,151.00 (5)	0.11	992.72	6,846.35
FRANCE	COFACE	30/9/86	LIT	39,252,597.00 (5)	0.11	4.32	29.78
				-----		-----	-----
			SUB-TOTAL	9,063,980,748.00		997.04	6,876.12
NORWAY	GIEK	30/9/86	NOK	116,250.00	20.86	2.42	16.72
NORWAY	GIEK	30/9/86	NOK	761,373.06	20.86	15.88	109.53
				-----		-----	-----
			SUB-TOTAL	877,623.06		18.31	126.26

SWEDEN (6)	EKN	30/9/86	SEK	16,358,037.97 (7)	22.41	366.58	2,528.16
NORWAY	GIEK	30/9/86	SEK	5,342.00	22.41	0.12	0.83
			SUB-TOTAL	16,363,379.97		366.70	2,528.99
WEST GERMANY	HERMES	30/9/86	SFR	1,767,109.56	89.00	157.27	1,084.64
WEST GERMANY	HERMES	30/9/86	SFR	31,986.25	89.00	2.85	19.63
SWITZERLAND	UNION BANK OF S	30/9/86	SFR	10,313,647.25	89.00	917.91	6,330.45
			SUB-TOTAL	12,112,743.06		1,078.03	7,434.72
JAPAN	MITI	30/9/86	USD	516,164.00	145.00	74.84	516.16
FINLAND	VIL	30/6/88	USD	167,489.00 (4)	145.00	24.29	167.49
FINLAND	VIL	30/9/86	USD	4,731,135.70 (4)	145.00	686.01	4,731.14
UNITED KINGDOM	ECGD	30/9/86	USD	33,000,000.00	145.00	4,785.00	33,000.00
UNITED STATES	EXIM	30/9/86	USD	7,600,000.00	145.00	1,102.00	7,600.00
ITALY (2)	SACE	30/9/86	USD	42,719,990.37 (5)	145.00	6,194.40	42,719.99
DENMARK	EKD	30/9/86	USD	5,800.00	145.00	0.84	5.80
NETHERLANDS	HCM	30/9/86	USD	352,154.00 (5)	145.00	51.06	352.15
NORWAY	GIEK	30/9/86	USD	4,396.49	145.00	0.64	4.40
UNITED STATES	EXIM	30/6/88	USD	15,043,923.00	145.00	2,181.37	15,043.92
SWITZERLAND	UNION BANK OF S	30/9/86	USD	561,705.56	145.00	81.45	561.71
JAPAN	MITI	30/6/88	USD	2,520,381.71	145.00	365.46	2,520.38
BELGIUM	OND	30/9/86	USD	103,466.00	145.00	15.00	103.47
WEST GERMANY	HERMES	30/9/86	USD	994,158.88	145.00	144.15	994.16
			SUB-TOTAL	108,320,764.71		15,706.51	108,320.76
			GRAND TOTAL			100,030.34	689,864.43