



PARLIAMENTARY QUESTION FOR WRITTEN ANSWER

Q To ask the Secretary of State for Foreign and Commonwealth Affairs what part the UK will play in the intergovernmental programme of economic assistance for Yugoslavia announced in Berne on 19 January.

A As its contribution to a 1.3 billion dollar programme involving 15 Governments and on the basis that the other elements of the integrated programme of assistance, including IMF support, will be forthcoming, HMG is arranging credits for Yugoslavia to the value of £78 million. These credits will comprise two elements:

- (a) £40 million of medium term loans at a market rate of interest, to be guaranteed by ECGD under its inherent powers to refinance insured Yugoslav debts falling due in 1983.

- (b) £38 million of Government to Government financial loans repayable over 3-5 years at a market rate of interest. Parliamentary approval for this new service will be sought in a Supplementary Estimate for the International Subscriptions Special Payments etc. (Foreign and Commonwealth Office) Vote in 1982/83.

cc: Prime Minister
 Secretary of State for Trade
 Governor of the Bank Of
 England
 Sir Robert Armstrong



Treasury Chambers, Parliament Street, SW1P 3AG
 01-233 3000

7 February 1983

The Rt. Hon. Francis Pym MP
 Secretary of State for Foreign and Commonwealth Affairs

New Secretary of State,

YUGOSLAVIA

attached

Thank you for your minute today with a draft written Parliamentary Answer on economic assistance to Yugoslavia. I have no comments on the draft, and am content that you should make the announcement this week.

Copies of this letter go to the other recipients of your minute.

Yours sincerely
John Kew

pp GEOFFREY HOWE

*(Approved by the Chancellor:
 Signed in his absence.)*