

International Monetary Fund

[Uruguay](#) and the IMF

Uruguay: Supplementary Letter of Intent

Press Release:

[IMF Executive Board](#)

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[Uruguay's Stand-By](#)

[Arrangement,](#)

[Approves US\\$ 213.8](#)

[Million Disbursement](#)

February 23, 2005

February 18, 2005

The following item is a Letter of Intent of the government of Uruguay, which describes the policies that Uruguay intends to implement in the context of its request for financial support from the IMF. The document, which is the property of Uruguay, is being made available on the IMF website by agreement with the member as a service to users of the [IMF](#) website.

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Montevideo, Uruguay
February 18, 2005

Dear Mr. de Rato:

As described in our letter of February 9, 2005, we have been working to incorporate the information on nonperforming borrowers in the liquidation funds (whose loans were held by the liquidation funds) into the credit registry for the Banking Superintendency. Completion of this action is a prior action for the completion of the Seventh Review under the Stand-by Arrangement.

As of today, we have been able to transfer information covering 93 percent of the nonperforming borrowers, accounting for 92 percent of the face value of nonperforming loans to the credit registry. The information transferred covers those borrowers who have not made any payment of their debts since the inception of the liquidation funds. However, we are still in the process of verifying information on debtors who have made payments, and this process has taken longer than anticipated as we need to ensure that performing debtors are not erroneously included in the credit registry.

While the prior action, therefore, has not been fully completed, the key debtors (those who have not made any payments) are in the registry, which is the most important element for bolstering creditor discipline. Therefore, we request to proceed with the Seventh Review under the Stand-by Arrangement. Of course, the superintendency of banks and the central bank remain fully committed to transferring the remaining information on nonperforming creditors to the credit registry. We expect this to be completed by May 2005.

Sincerely yours,

/s/
Julio de Brun
President
Central Bank of Uruguay

/s/
Isaac Alfie
Minister of Economy and Finance
Oriental Republic of Uruguay

Mr. Rodrigo de Rato
Managing Director
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