Paraguay To Request Reduction On Debt Owed To Paris Club Creditors

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On April 12 in Asuncion, President Andres Rodriguez said that his government "fully recognizes" its $729 million debt to Paris Club government creditors, but will request a writeoff similar in proportion to that granted Poland. The Rodriguez administration plans to renegotiate $406.2 million. Of the total, $203.4 million came due for payment last Dec. 31. Payments due Dec. 31, 1991, and in March 1992 are $203.4 million and $31.7 million, respectively. Next, Rodriguez said that his government will "not recognize" two loans totaling $90 million from a Swiss bank syndicate contracted by Gustavo Gramont Berres, former Paraguayan ambassador in Geneva. According to Rodriguez, Gramont Berres forged the signatures of government officials on the loan contracts since the loans were not approved by the Paraguayan Congress. Paraguay's debt to all foreign creditors totals $1.65 billion. (Basic data from AFP, 04/12/91)

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