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On May 14 in Washington, the World Bank announced approval of a $65 million to Uruguay to support Montevideo in meeting financial obligations contained in a 1990 debt service reduction agreement with commercial bank creditors. The accord covered Uruguay's total medium- and long-term rescheduled commercial bank debt of $1.6 billion dollars. Included were $628 million in buy-backs at a 44% discount; $535 million converted to par bonds; and, $447 million were rescheduled. Uruguay also received $89 million in new loans from the banks. About $33 million of the World Bank loan are earmarked for interest payments on collateralized par bonds, while $32 million for financing the principal cash buy-back. (Basic data from AFP, 05/14/91)

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