

Documentation

The Figueiredo-Nakasone joint communiqué

Brazilian President João Figueiredo and Japanese Prime Minister Yasuhiro Nakasone signed a joint communiqué in Tokyo on May 28 which underlined Japan's readiness to help Brazil overcome the foreign debt crisis. According to the newspaper *O Estado de São Paulo*, the debt problem was at the center of the leaders' talks, along with the question of "the normal development of trade and international finance."

The two leaders agreed to a \$1.3 billion financial package, including \$756 million in new money given by the Japanese government and the rescheduling of \$565 million in old state-sector debts. "According to initial information, Brazil was expected to get at most a skimpy \$500 million," the Rio de Janeiro daily *O Globo* reported on May 26. "We got three times what we expected," said President Figueiredo, who, according to the newspaper, "manifested his hope that Brazil would one day be able to reach the level of development of Japan."

Of the new \$756 million financial package, \$152 million will go to the Cerrados Development Program for agricultural expansion in Brazil's central region, \$52 million for an irrigation program, and \$200 million for short-term insurance for Japanese exports; three credit lines from the Japanese Eximbank—one of \$52 million to finance exports and imports through BNDES, another of \$200 million for developing the Carajás iron ore-mining project, and the third of \$100 million to finance Brazilian imports of Japanese products.

The breakdown of the \$565 million to refinance old debts is as follows: \$40 million for debts from the Itaipu dam; \$30 million for the Light public electricity enterprise; \$135 million for Eletrobras (electricity); \$280 million for Siderbras (metal); \$80 million for the National Economic and Social Development Bank (BNDES).

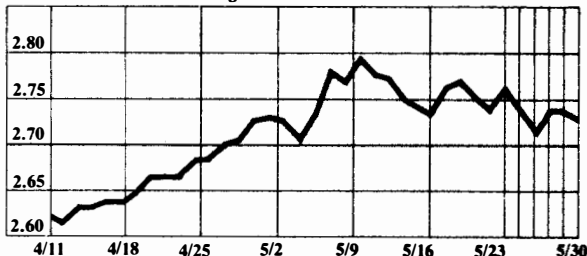
A technological cooperation accord was also signed for a minimum of two years between Foreign Ministers Saraiva Guerreiro and Shintary Abe. The program will include seminars, exchange of personnel, exchange of information, and research programs.

Another agreement was reached for the creation of a modern research center to study tropical parasitical diseases (sistosomiasis, leishmaniosis, elephantiasis, and the Chagas disease) at Pernambuco University with equipment and technical assistance from the Japanese and training of Brazilian personnel in Japan.

Currency Rates

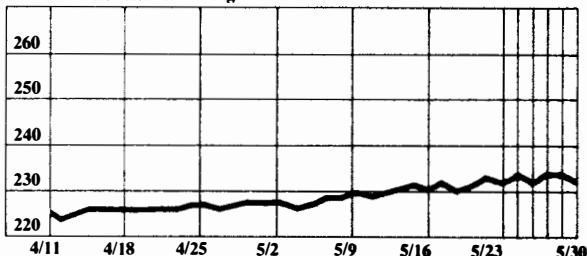
The dollar in deutschmarks

New York late afternoon fixing



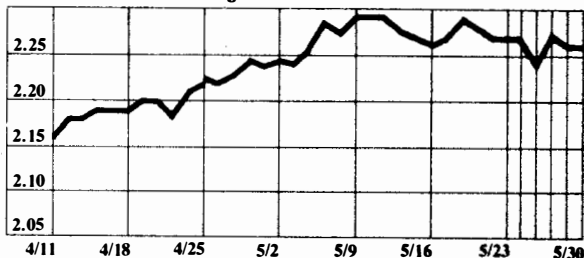
The dollar in yen

New York late afternoon fixing



The dollar in Swiss francs

New York late afternoon fixing



The British pound in dollars

New York late afternoon fixing

