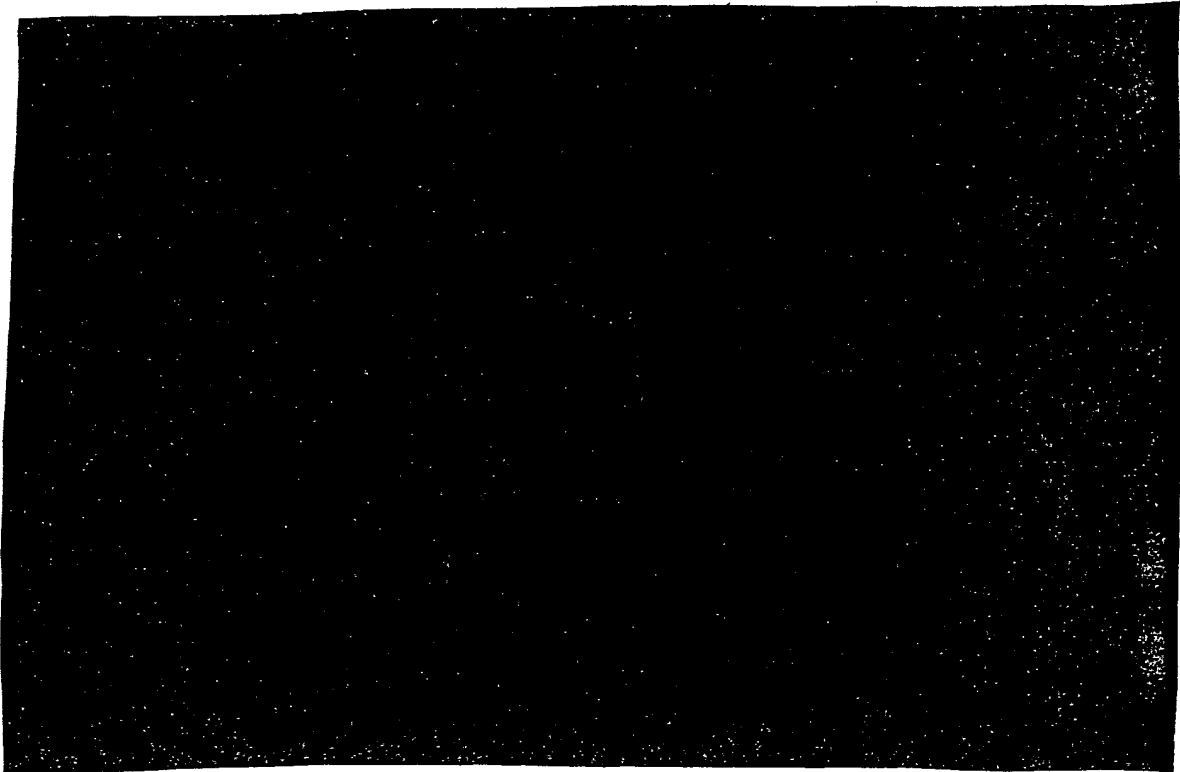


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Poland

The Paris Club on 29 July agreed in principle to resume rescheduling negotiations of Poland's debt to Western governments, [REDACTED]. As a sanction against the imposition of martial law, the West since January 1982 had refused to negotiate debt relief. In the meantime, Poland paid virtually no debt service, [REDACTED].

[REDACTED] the Paris Club will make a final decision to reschedule by 15 September, subject to approval of the members. Under a schedule suggested by the chairman, a group of technical experts would visit Poland in late September to obtain data, and rescheduling negotiations in the Paris Club would open around mid-October. Most of the delegates agreed that no debt relief for 1982 obligations should be concluded until arrears from 1981 are covered. The delegates also opposed any linkage between rescheduling and new credits. [REDACTED]

Polish officials and Western bankers met in Vienna on 16-18 August for another round of negotiations to reschedule 1983 obligations. Results of the talks are not yet known, but the press quoted a banking source after the second day of the talks who said there had been progress in the negotiations. Relatively minor differences in terms remained after the previous negotiating session last month. [REDACTED]

APPROVED FOR RELEASE
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18 Aug 83

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