IMMEDIATE ATTENTION

EBD/84/199

July 19, 1984

To: Members of the Executive Board

From: The Acting Secretary

Subject: Mali - Change in the Representative Rate for the Mali Currency

It is not proposed to bring the attached memorandum to the agenda of the Executive Board for discussion unless an Executive Director so requests by noon on Tuesday, July 24, 1984. In the absence of such a request, the draft decision will be deemed approved by the Executive Board and it will be so recorded in the minutes of the next meeting thereafter.

Att: (1)

Other Distribution:
Department Heads

INTERNATIONAL MONETARY FUND

Change in the Representative Rate for the Mali Currency

Prepared by the Treasurer's Department

(In consultation with the African and the Legal Departments)

Approved by David Williams

July 18, 1984

The representative exchange rate of the Mali franc against the U.S. dollar under then existing Rule O-3 has been the rate obtained on the basis of the official rate for the Mali franc and the representative rate for the French franc (Executive Board Decision No. 4603-(75/23) S, adopted on February 24, 1975).

On June 14, 1984, the Mali authorities notified the Fund that, effective June 1, 1984, the Republic of Mali joined the West African Monetary Union and consequently replaced the Mali franc with the CFA franc as Mali's currency unit. Accordingly, the staff has consulted with the authorities on the determination of the representative exchange rate for the CFA franc that is the official currency of Mali.

As a result of these consultations, it is proposed that the Fund find that the representative exchange rate of the CFA franc, the official currency of Mali, against the U.S. dollar is the rate obtained on the basis of the relationship between the CFA franc and the French franc, as determined by the West African Monetary Union, and the representative rate of the French franc. It is understood that the presiding member of Council of Ministers of West African Monetary Union will notify the Fund of any change in the representative exchange rate (see Attachment).

In view of the foregoing, the following draft decision is proposed for adoption by the Executive Board:

> The Fund finds, after consultation with the Mali authorities, that the representative exchange rate for the CFA franc, the official currency of Mali, under Rule O-2, paragraph (b)(ii), against the U.S. dollar is the rate obtained on the basis of the relationship between the CFA franc and the French franc, and the representative rate of the French franc. The Fund will be informed immediately of any change in the representative exchange rate.

Attachment

ATTACHMENT

BCEAO BAMAKO

TELEX NO. 298 BAMAKO, JULY 9, 1984

INTERFUND

WASHINGTON, D.C.

TREASURER'S DEPARTMENT

IN REPLY TO YOUR GRA NO. 24 OF JULY 3, 1984, THE REPRESENTATIVE RATE FOR THE CFA FRANC, THE OFFICIAL CURRENCY OF MALI, UNDER RULE O-2, PARAGRAPH (B) (II), AGAINST THE U.S. DOLLAR IS THE RATE OBTAINED ON THE BASIS OF THE RELATIONSHIP BETWEEN THE CFA FRANC AND THE FRENCH FRANC, AND THE REPRESENTATIVE RATE OF THE FRENCH FRANC. PRESIDING MEMBER OF COUNCIL OF MINISTERS OF WEST AFRICAN MONETARY UNION, ON BEHALF OF ALL THE MEMBER STATES WILL IMMEDIATELY COMMUNICATE TO THE FUND ANY CHANGE IN THE REPRESENTATIVE RATES OF THE CFA FRANC.

Y. TOURE

NATIONAL DIRECTOR

Received in Cable Room

July 9, 1984