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**IMMEDIATE
ATTENTION**

MASTER FILES
ROOM C-120

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EBD/83/212

August 15, 1983

To: Members of the Executive Board

From: The Acting Secretary

Subject: Sierra Leone - Change in the Representative Rate
for the Sierra Leonean Leone

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 Thursday, August 18, 1983. 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 Sierra Leonean Leone

Prepared by the Treasurer's Department

(In consultation with the Legal Department)

Approved by W.O. Habermeier

August 15, 1983

The representative rate of the Sierra Leone leone against the SDR under Rule 0-2 was determined on the basis of its pegged relationship to the SDR (Executive Board Decision No. 6117-(79/67) G/S, adopted April 30, 1979).

On July 15, 1983, the authorities notified the Fund that, with effect from July 1, 1983, the Sierra Leone leone, until further notice, is to be pegged to the United States dollar and no longer to the SDR. ^{1/} Following this change in Sierra Leone exchange arrangements, the staff has consulted with the authorities on the determination of a representative rate for the Sierra Leone leone for spot delivery in the domestic exchange market. As a result of these consultations, the Fund finds that the representative rate of the Sierra Leone leone against the U.S. dollar is the mid-point of the buying and the selling rates per U.S. dollar. The authorities have indicated that they will notify the Fund of any change in the rate or in the definition of the representative rate.

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

The Fund finds, after consultation with the Sierra Leonean authorities, that the representative exchange rate for the Sierra Leone leone under Rule 0-2(b)(i) against the U.S. dollar is the mid-point of the buying and selling rates. The Central Bank of Sierra Leone will notify the Fund of changes in the rate and will advise of any change in the definition of the representative rate for the Sierra Leone leone.

^{1/} See EBS/83/149, July 20, 1983 - Sierra Leone - Exchange Arrangements.