

DOCUMENT OF INTERNATIONAL MONETARY FUND AND NOT FOR PUBLIC USE

EBD/82/200

August 13, 1982

To: Members of the Executive Board
From: The Secretary
Subject: Kenya - Exchange System

The attached paper on Kenya's exchange system is circulated for the information of the Executive Directors.

Att: (1)

Other Distribution:
Department Heads

INTERNATIONAL MONETARY FUND

Kenya--Exchange System

Prepared by the African and Exchange and
Trade Relations Departments

(In consultation with the Legal Department)

Approved by J.B. Zulu and W.A. Beveridge

August 13, 1982

The Central Bank of Kenya suspended all foreign exchange dealings on August 2, 1982, following developments on August 1, 1982 affecting internal security. The staff understands that this action resulted from the Bank's inability to operate until normalcy had been restored. The Kenya shilling since September 21, 1981 has been pegged to the SDR at K Sh 11.95 = SDR 1.

In the attached communication, dated August 10, 1982, the Central Bank of Kenya has informed the Fund that foreign exchange operations by the Central Bank have been resumed.

The staff will be in close contact with the Kenyan authorities and will inform the Executive Board of any further developments regarding Kenya's exchange system. No action by the Executive Board is proposed.

INTERNATIONAL MONETARY FUND
WASHINGTON, D.C.

10TH AUGUST, 1982

THE CENTRAL BANK OF KENYA TODAY ANNOUNCED THE RESUMPTION OF FOREIGN EXCHANGE OPERATIONS, WHICH HAD BEEN SUSPENDED ON AUGUST 2, 1982.

CENTRAL BANK OF KENYA,
NAIROBI

Received in Cable Room: August 10, 1982