

DOCUMENT OF INTERNATIONAL MONETARY FUND  
AND NOT FOR PUBLIC USE

**IMMEDIATE  
ATTENTION**

EBD/82/310

December 16, 1982

To: Members of the Executive Board  
From: The Secretary  
Subject: Dominica - Change of Depository

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 Wednesday, December 22, 1982. In the absence of such a request, the draft decision will be deemed approved by the Executive Board and recorded in the minutes of the next meeting thereafter.

Att: (1)

Other Distribution:  
Department Heads



INTERNATIONAL MONETARY FUND

Dominica - Change of Depository

Prepared by the Treasurer's Department

(In consultation with the Western Hemisphere and Legal Departments)

Approved by David Williams

December 16, 1982

Article XIII, Section 2(a) of the Articles of Agreement provides that "Each member shall designate its central bank as a depository for all the Fund's holdings of its currency, or if it has no central bank it shall designate such other institution as may be acceptable to the Fund".

Dominica has no central bank. On December 29, 1978 the Executive Board agreed to the designation of the National Commercial and Development Bank as the depository for all the Fund's holdings of the currency of Dominica under Article XIII, Section 2(a) (EBD/78/281 December 26, 1978).

In a cable dated December 2, 1982 (Attachment) the Dominican authorities have advised the Fund that they propose to designate the East Caribbean Currency Authority as the depository for the Fund's holdings of the currency of Dominica. The East Caribbean Currency Authority has confirmed that it is able to perform the necessary functions. 1/

It is recommended that the Fund accept the East Caribbean Currency Authority as the depository for its holdings of the currency of Dominica.

Accordingly, the following draft decision is proposed for adoption by the Executive Board:

The Fund accepts the East Caribbean Currency Authority in place of the National Commercial and Development Bank as the depository for all the Fund's holdings of the currency of Dominica under Article XIII, Section 2(a).

Attachment

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1/ See "St. Lucia - Designation of Depository" (EBD/79/327, December 28, 1979).

ATTACHMENT

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FOLLOWING FOR MANAGING DIRECTOR

THE GOVERNMENT OF DOMINICA HEREBY DESIGNATES THE EAST CARIBBEAN CURRENCY AUTHORITY AS THE DEPOSITORY FOR THE INTERNATIONAL MONETARY FUND'S HOLDINGS OF THE CURRENCY OF DOMINICA IN ACCORDANCE WITH ARTICLE XIII, SECTION 2(A) OF THE ARTICLES OF AGREEMENT OF THE FUND. THIS AUTHORIZATION SUPERSEDES THAT CONTAINED IN THE LETTER FROM THE MINISTER OF FINANCE AND CONSUMER PROTECTION, DATED DECEMBER 12, 1978.

WE DO HEREBY CONFIRM THAT THE EAST CARIBBEAN CURRENCY AUTHORITY CAN READILY PERFORM THE FUNCTIONS OF A DEPOSITORY ON BEHALF OF THE FUND WHICH INCLUDE THE FOLLOWING:

1. TO HOLD CURRENCY FOR THE FUND.
2. TO PAY CURRENCY ON DEMAND AND WITHOUT DELAY TO ANY PAYEE NAMED BY THE FUND IN THE TERRITORY OF DOMINICA.
3. IF THE GOVERNMENT OF DOMINICA ISSUES NONNEGOTIABLE NON-INTEREST-BEARING NOTES UNDER ARTICLE III, SECTION 4 OF THE FUND AGREEMENT, TO HOLD SUCH SECURITIES FOR SAFE CUSTODY ON BEHALF OF THE FUND.
4. TO ARRANGE FOR THE ISSUANCE OF SUCH NOTES AND FOR THEIR ENCASHMENT WITHIN 24 HOURS AFTER ANY PAYMENT BY THE FUND WHICH DRAWS THE BALANCE OF THE FUND'S HOLDINGS IN THE NO. 1 ACCOUNT BELOW THE MINIMUM AMOUNT REQUIRED.

WE REQUEST THAT THIS PROPOSAL BE SUBMITTED TO THE FUND'S EXECUTIVE BOARD FOR CONSIDERATION.

8613 EXTERNAL DO.

Received in Fund December 2, 1982