

**IMMEDIATE
ATTENTION**

EBD/12/24

May 3, 2012

To: Members of the Executive Board

From: The Secretary

Subject: **Republic of South Sudan—Representative Rate for the South Sudanese Pound
as the Currency of the Republic of South Sudan**

Attached for consideration by the Executive Directors is a paper on the representative rate for the South Sudanese pound as the currency of the Republic of South Sudan.

It is not proposed to bring this matter to the agenda of the Executive Board for discussion unless an Executive Director so requests by **noon on Thursday, May 10, 2012**. In the absence of such a request, the draft decision that appears on page 2 will be deemed approved by the Executive Board and it will be so recorded in the minutes of the next meeting thereafter.

It is not intended that this paper will be posted on the Fund's external website.

Questions may be referred to Ms. Manno (ext. 38175) and Mr. De Luca (ext. 38258) in FIN.

This document will shortly be posted on the extranet, a secure website for Executive Directors and member country authorities.

Att: (1)

Other Distribution:
Department Heads

INTERNATIONAL MONETARY FUND

**Republic of South Sudan—Representative Rate for the South Sudanese Pound
as the Currency of the Republic of South Sudan**

Prepared by the Finance Department

In consultation with the African, Legal,
and Monetary and Capital Markets Departments

Approved by Andrew Tweedie

May 3, 2012

1. The Republic of South Sudan became a member of the Fund on April 18, 2012. As a new member, the Republic of South Sudan will need to establish procedures with the Fund for determining a representative exchange rate for its currency, in accordance with Rule O-2(b)(i) of the Fund's Rules and Regulations, as proposed in this paper for Board consideration.

2. The currency of the Republic of South Sudan is the South Sudanese pound, which is pegged to the U.S. dollar at the rate of one U.S. dollar equals 2.95 South Sudanese pounds. Staff has consulted with the authorities of the Republic of South Sudan which have proposed that the representative exchange rate for the currency of the Republic of South Sudan be the midpoint between spot buying and selling rates for the U.S. dollar as determined and quoted by the Bank of South Sudan. The Bank of South Sudan will promptly inform the Fund of any changes in exchange arrangements affecting the determination of the representative exchange rate (Attachment).

PROPOSED DECISION

The following draft decision, which may be adopted by a majority of the votes cast, is proposed for adoption by the Executive Board:

The Fund finds, after consultation with the authorities of the Republic of South Sudan, that the representative exchange rate for the South Sudanese pound is the midpoint between spot buying and selling rates for the U.S. dollar as determined and quoted by the Bank of South Sudan.

Republic of South Sudan (RSS)



MINISTRY OF FINANCE & ECONOMIC PLANNING (MOFEP) Office of the Minister

April 18, 2012

Christine Lagarde
Managing Director
International Monetary Fund
Washington, D.C. 20431

Dear Madame Lagarde:

Reference: Consultation for determining a representative rate for the currency of South Sudan.

1. The currency of South Sudan is the South Sudanese pound, which is pegged to the US dollar at the rate of one U.S. Dollar equals 2.95 South Sudanese Pounds. At present the rates of exchange are 2.9377 buying and 2.9623 selling in spot exchange transactions in the domestic exchange market as published daily by the Bank of South Sudan.
2. This is to propose that the Fund find the description listed in item 1 above to be the representative rate for the South Sudanese Pound under Rule O-2(b) of the Fund's Rules and Regulations, and
3. The Bank of South Sudan will promptly inform the Fund of any changes in the representative rate for the South Sudanese Pound described above.

Very truly yours,

Kosti Manibe Ngai
Minister of Finance and Economic Planning
Republic of South Sudan