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IMF Supports the Introduction of Moldova's New Currency

The Government of Moldova has announced the introduction of a national currency, the leu, from November 29, 1993. This action marks an important step in the program of economic reforms in which the Government of Moldova is engaged. The management and the staff of the International Monetary Fund (IMF) have been kept fully informed of the authorities' plans and have assured the authorities of their full support in the introduction of the leu.

Over the past several months IMF staff has discussed the design and implementation of a comprehensive stabilization and structural reform program with the Government and the National Bank of Moldova. The first phase of the reform was supported by a disbursement in September 1993 under the Fund's Systemic Transformation Facility (STF). The authorities are strengthening their adjustment effort to support the introduction of the leu and have requested additional IMF financial assistance under a stand-by arrangement and the STF. Broad agreement has been reached on a package of policies that could form the basis of a program that could be supported by use of IMF financing under such an arrangement. The IMF and World Bank staffs are assisting the Government of Moldova in its efforts to secure adequate financing from the international community in support of the reform program. When the financing is assured and all policy measures are implemented, the IMF's management will recommend to the Executive Board that Moldova's request for assistance from the IMF be approved.

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