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September 30, 1992

To: Members of the Executive Board
From: The Secretary
Subject: Republic of Moldova - Representative Rate for the Russian
Ruble as Currency of Moldova

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 the close of business on Friday, October 2, 1992. 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.

Mr. C. Kelly (ext. 37641) is available to answer technical or factual questions relating to this paper.

Att: (1)

Other Distribution:
Department Heads



INTERNATIONAL MONETARY FUND

Representative Rate for the Currency of the Republic of Moldova

Prepared by the Treasurer's Department

(In consultation with the European II, Legal,
Monetary and Exchange Affairs, and Policy Development and Review
Departments)

Approved by David Williams

September 29, 1992

The Republic of Moldova became a member of the Fund on August 12, 1992 with a quota equivalent to SDR 60 million.

The currency of the Republic of Moldova is the Russian ruble. Following consultation with the authorities, it is considered that the representative rate for the Russian ruble (as currency of the Republic of Moldova) under Rule 0-2 (b)(i) shall be the midpoint of buying and selling rates for the Russian ruble against the U.S. dollar in the Moscow Interbank Foreign Currency Exchange (the "interbank market"), as ascertained and reported by the Central Bank of Russia. The same method of calculation is used for the determination of the representative rate for the Russian ruble, as the currency of the Russian Federation, against the U.S. dollar pursuant to Decision No. 10101-(92/96) G/S, adopted on July 24, 1992. It is understood that the National Bank of Moldova will immediately inform the Fund of any change in the exchange arrangements which may affect the determination of the representative rate (see attached communication from the National Bank of Moldova).

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

The Fund finds, after consultation with the authorities of the Republic of Moldova, that the representative rate under Rule 0-2 (b)(i) for the Russian ruble (as currency of the Republic of Moldova) against the U.S. dollar is the midpoint between buying and selling rates for the Russian ruble against the U.S. dollar in the interbank market, as ascertained by the Central Bank of Russia.

Attachment

The Representative Exchange Rate
for the Currency of Moldova

Since the currency of Moldova is the Russian ruble, we propose that the definition of the representative rate for the currency of Moldova be the midpoint between buying and selling rates for the Russian ruble against the U.S. dollar in the Moscow Interbank Foreign Currency Exchange (the "interbank market"), as ascertained by the Central Bank of Russia. Thus, the following definition is proposed:

"The representative rate under Rule 0-2(b)(i) for the Russian ruble (as currency of Moldova) against the U.S. dollar is the midpoint between buying and selling rates for the Russian ruble against the U.S. dollar in the interbank market, as ascertained by the Central Bank of Russia."

The Bank of Moldova will promptly inform the Fund of any change in exchange arrangements which may affect the determination of the representative exchange rate.

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Leonid Talmaci
President
National Bank of Moldova

Received in Fund September 23, 1992