

DOCUMENT OF INTERNATIONAL MONETARY FUND
AND NOT FOR PUBLIC USE

**IMMEDIATE
ATTENTION**

MASTER FILES

ROOM C-120

01

EBD/85/162

July 1, 1985

To: Members of the Executive Board

From: The Secretary

Subject: Burundi - Change in the Representative Rate for the Burundi Franc

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 Friday, July 5, 1985. 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.

Att: (1)

Other Distribution:
Department Heads

INTERNATIONAL MONETARY FUND

Burundi - Change in the Representative Rate for the Burundi Franc

Prepared by the Treasurer's Department

(In consultation with the Legal, African, and
Exchange and Trade Relations Departments)

Approved by David Williams

June 28, 1985

The representative rate for the Burundi franc against the U.S. dollar was established as the middle rate between the buying and selling rates for the U.S. dollar of the Banque de la Republique du Burundi (Executive Board Decision No. 4435-(74/135) S, adopted October 25, 1974). On November 23, 1983, the Burundi franc was pegged to the SDR, at the exchange rate of SDR 1 = FBu 122.70 (EBD/83/307, 12/1/83).

The Burundi authorities have proposed that the representative rate for the Burundi franc under Rule 0-2(b)(iii) be its fixed relationship to the SDR of one SDR equals Burundi francs 122.70 (see Attachment). This fixed relationship is used to determine the midpoint between buying and selling exchange rates quoted by the Banque de la Republique du Burundi for spot delivery of Burundi francs against U.S. dollars and other currencies. Calculations of exchange rates against currencies are based on the fixed value of the SDR in terms of Burundi francs and the SDR value of the U.S. dollar and other currencies published by the Fund on the previous business day. On June 14, 1985, the midpoint between the buying and selling rate for spot delivery of Burundi francs against the U.S. dollar was one U.S. dollar equals Burundi francs 123.50.

Subject to approval by the Executive Board of the proposal by the Burundi authorities, and in accordance with Executive Board Decision No. 5590-(77/163), adopted December 5, 1977, the fixed relationship between the Burundi franc and the SDR would be the basis for all computations by the Fund relating to the Burundi franc in the General Resources Account. It is understood that the Banque de la Republique du Burundi will promptly advise the Fund of any change in the representative rate.

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 Burundi, that the representative exchange rate for the Burundi franc, under Rule 0-2(b)(iii), is its fixed relationship to the SDR, which is one SDR equals Burundi francs 122.70. The Banque de la Republique du Burundi will promptly advise the Fund of any change in the representative rate.

Attachment

TREASURER'S DEPARTMENT
INTERFUND, WASHINGTON

6/18/85

NO. 25

REFERENCE YOUR TELEX NO. 8 OF JUNE 10, 1985.

1. WE REMIND YOU THAT SINCE NOVEMBER 23, 1983 THE REPRESENTATIVE EXCHANGE RATE FOR THE BURUNDI FRANC HAS BEEN ITS FIXED RELATIONSHIP TO THE SDR, WHICH IS SDR 1 = FBu 122.70. THE BANK OF THE REPUBLIC OF BURUNDI WILL INFORM THE FUND OF ANY CHANGE IN THE REPRESENTATIVE RATE.

2. THIS FIXED RELATIONSHIP OF SDR 1 = FBu 122.70 WILL BE USED TO DETERMINE THE MIDDLE POINT BETWEEN THE BUYING AND SELLING RATES QUOTED BY THE BANK OF THE REPUBLIC OF BURUNDI FOR SPOT DELIVERY OF BURUNDI FRANCS AGAINST U.S. DOLLARS AND OTHER CURRENCIES.

3. THESE CALCULATIONS OF EXCHANGE RATES AGAINST CURRENCIES WILL BE BASED ON THE FIXED VALUE OF THE BURUNDI FRANC IN TERMS OF THE SDR AND THE SDR VALUE OF THE U.S. DOLLAR AND OTHER CURRENCIES PUBLISHED BY THE FUND THE PREVIOUS BUSINESS DAY.

4. THE LATEST FBu/U.S. DOLLAR EXCHANGE RATE IS U.S. DOLLAR 1 = FBu 123.5 AS OF 6/14/85.

BURUNDI BANQUE

Received in Cable Room: June 18, 1985