

GENERAL AGREEMENT ON
TARIFFS AND TRADE

RESTRICTED
LIMITED B
GATT/CP/52/Add.1
20 June 1950
ORIGINAL: ENGLISH

CONTRACTING PARTIES

SPECIAL EXCHANGE AGREEMENTS

Addition of new Rule M-6 to the Rules and
Regulations of the International Monetary Fund

The following letter, dated 12 June 1950, has been received from the Acting Chairman of the Executive Board and Acting Managing Director of the International Monetary Fund :

"In reply to your letter of May 22, 1950, I am pleased to send you herewith a certified copy of the decision of the Executive Board taken at its meeting on June 7, 1950, adding Rule M-6 to the Rules and Regulations of the International Monetary Fund. This Rule was necessary in order to give effect to the decision which was communicated to you in the Fund's letter of March 3, 1950. *

"It will be appreciated if you will communicate the text of the new Rule to the contracting parties."

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'The following text of an additional Rule M-6 is agreed :

M-6. The Fund deems that it would be prejudicial to the interests of members and contrary to the purposes of the Fund for a member to impose restrictions on exchange transactions with those non-members having entered into special exchange agreements under the General Agreement on Tariffs and Trade, or with persons in their territories, which the member would not in similar circumstances be authorized to impose on exchange transactions with other members or persons in their territories. Therefore, pursuant to Article XI, Section 2, members should not institute restrictions on exchange transactions with such non-members, or persons in their territories, unless the restrictions (a), if instituted on transactions with other members, or persons in their territories, would be authorized under the Fund Agreement, or (b) have been approved in advance by the Fund. Requests for prior approval shall be submitted in writing with a statement of reasons.'

* see GATT/CP/52