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GENERAL AGREEMENT ON TARIFFS AND TRADE

COMMITTEE OF THE CONTRACTING PARTIES ON  
SPECIAL EXCHANGE AGREEMENTS

The attached drafts, A and B, of a special exchange agreement are distributed to members of the Committee to serve as the basis for discussion at the second meeting which will be held in London in October or November, 1948. It will be noticed that these drafts have been prepared in the form of an agreement between the International Trade Organization and a Member of the Organization which is not a Member of the International Monetary Fund. They will be revised to serve the purposes of the Contracting Parties and will be reissued at an early date.

DRAFT "A"

SPECIAL EXCHANGE AGREEMENT

The International Trade Organization (hereafter called the ITO), represented by its Director General and country X .....<sup>2/</sup> (hereafter called the Member), represented by ....

Considering that paragraph 6 of Article 24 of the Charter for an International Trade Organization (hereafter called the Havana Charter) provides that every member of the ITO which is not a member of the International Monetary Fund (hereafter called the Fund) shall enter into a special exchange agreement with the ITO;

Considering that paragraph 6 of Article 24 of the Havana Charter provides that the objectives of the Havana Charter shall not be frustrated by such Member as a result of action with respect to exchange matters;

agree as follows:

Article I

Exchange Stability and Orderly Exchange Arrangements

The Member undertakes to cooperate with the ITO in order to promote exchange stability, to maintain orderly exchange arrangements among the members of the ITO and to avoid competitive exchange alterations.

Article II

Expression of Par Value

1. The present par value of the Member's currency expressed in terms of gold or in terms of United States dollars of the weight and fineness in effect on July 1, 1944 is the following:<sup>1/</sup>

- X = gold
- X = U.S. dollars

2. The ITO will keep the Member currently informed about the par values of the currencies of the other ITO members.

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<sup>1/</sup> If the Special Exchange Agreement covers also separate currencies in territories under the authority of the Member, the Agreement will have to be adjusted accordingly.

### Article III

#### Gold Transactions Based on Par Values

The Member shall not buy gold at a price above par value plus the margin permissible under this Article, or sell gold at a price below par value minus the margin permissible under this Article. This margin above and below par value shall be as prescribed by the Fund for its members for such transactions under paragraph 2 of Article IV of the Articles of Agreement of the International Monetary Fund.

### Article IV

#### Foreign Exchange Dealings Based on Parity

The maximum and the minimum rates for exchange transactions between the currency of the Member and the currencies of other ITO members taking place within the Member's territories shall not differ from parity:

- (i) in case of spot (TT) transactions, by more than 1%, and
- (ii) in case of other exchange transactions, by a margin which exceeds the margin for spot exchange transactions by more than the ITO, after consultation with the Fund, considers reasonable.

### Article V

#### Obligations Regarding Exchange Stability

The Member undertakes not to permit within its territory exchange transactions between its currency and the currencies of other ITO members at rates which exceed the limits prescribed in Article IV of this Agreement. A member whose monetary authorities, in fact, freely buy and sell gold for the settlement of international transactions within the limits prescribed in Article III of this Agreement shall be deemed to be fulfilling this undertaking.

### Article VI

#### Changes in Par Value

The par value of the Member's currency may be changed only on the proposal of the Member and the Member shall not propose a change in the par value except to correct a fundamental disequilibrium and after consultation with the ITO, subject to the following additional conditions:

(a) If such change together with all other changes effected since the entry into force of this Agreement, whether increases or decreases, does not exceed 10% of the par value, the ITO shall raise no objection to the change;

(b) If the change does not exceed a further ten per cent of the par value, the ITO may either concur or object, but shall declare its attitude within seventy-two hours if the member so requests; <sup>2/</sup>

(c) The concurrence of the ITO is required for all other cases involving a change of the par value. The ITO will communicate to the Member its concurrence or its objection as soon as possible. If the ITO objects to a change it shall communicate to the Member the reasons for its objections.

(d) The ITO shall concur in a change of the par value if it is satisfied that the change is necessary to correct a fundamental disequilibrium. In particular, provided it is so satisfied, it shall not object to a proposed change because of the domestic, social or political policies of the member proposing the change;

(e) If the Fund decides uniform proportionate changes in the par values of the currencies of all Fund members, the Member will change its par value proportionately, unless it informs the ITO within seventy-two hours after it has been notified by the ITO of the Fund's action that it does not wish the par value of its currency to be changed.

(f) In determining whether changes in par value fall within the limits mentioned in Sections (a), (b) and (c) of this Article, uniform changes in par value under Section (e) of this Article shall not be taken into account.

## Article VII

### Avoidance of Restrictions on Current Payments

1. Except as otherwise provided in this Agreement the Member shall not impose restrictions on the making of payments and transfers for current international transactions without express prior approval of the ITO.

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<sup>2/</sup> The time limit of seventy-two hours may be impractical and may have to be extended.

2. The Member agrees not to enforce in its territories exchange contracts which involve the currency of any other member of the ITO and which are contrary to the exchange control regulations of that member maintained or imposed consistently with the Articles of Agreement of the International Monetary Fund or a Special Exchange Agreement entered into between another member of the ITO and the ITO. In addition, the Member may, by mutual accord with another member of the ITO, co-operate in measures for the purpose of making the exchange control regulations of either member more effective, provided that such measures and regulations are consistent with the Articles of Agreement of the International Monetary Fund or a Special Exchange Agreement entered into between another Member of the ITO and the ITO.

3. The Member may exercise such controls as are necessary to regulate international capital movements, but no member may exercise these controls in a manner which will restrict payments for current transactions or which will unduly delay transfers of funds in settlement of commitments except as provided in Article VIII (1) (2) and (3) and Article X of this Agreement.

4. The Member shall not engage in or permit any of its fiscal agencies to engage in any discriminatory currency arrangements or multiple currency practices except as authorised under this Agreement or approved by the ITO. If such arrangements and practices are engaged in at the date when this Agreement enters into force the Member concerned shall consult with the ITO as to their progressive removal, unless they are maintained or imposed under Article X of this Agreement in which case the provisions of Article X shall apply.

5. Payments for current transactions in this Agreement means payments which are not for the purpose of transferring capital, and includes, without limitation:

- (a) All payments due in connection with foreign trade, other current business, including services, and normal short-term banking and credit facilities;
- (b) Payments due as interest on loans and as net income from other investments;

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- (c) Payments of moderate amount for amortization of loans or for depreciation of direct investments.
  - (d) Moderate remittances for family living expenses.
6. The ITO may, after consultation with the Fund and the Member determine whether certain specific transactions are to be considered current transactions or capital transactions.

#### Article VIII

##### Scarce Currency

1. The Member is authorized to impose temporarily, after consultation with the ITO, limitations on the freedom of exchange operations in a currency which has formally been declared scarce by the Fund in accordance with Article VII, Section 3 of the Articles of Agreement of the International Monetary Fund.
2. Subject to the provisions of Articles IV and V of this Agreement the Member shall have complete jurisdiction in determining the nature of such limitations.
3. These limitations shall not be more restrictive than is necessary to limit the demand for the scarce currency to the supply held by, or accruing to, the Member. The limitations shall be relaxed and removed as rapidly as conditions permit. The authorization here mentioned shall expire whenever the Fund formally declares the currency in question to be no longer scarce.
4. If the Member is imposing restrictions in respect of the currency of any other member pursuant to paragraph 1 of this Article it shall give sympathetic consideration to any representations by the other Member regarding the administration of such restrictions.
5. The Member agrees not to invoke the obligations of any engagements entered into with other members prior to this Agreement in such a manner as will prevent the operation of the provisions of this Article.

#### Article IX

##### Convertibility of Balances Held by Other ITO Members

1. The Member shall buy balances of its currency held by another member of the ITO, if the latter in requesting the purchase represents:

- (a) that the balances to be bought have been recently acquired as a result of current transactions, or
- (b) that their conversion is needed for making payments for current transactions.
2. The Member shall have the option to pay either in the currency of the member making the request or in gold.
3. The obligation under Section 1 of this Article shall not apply insofar as the Member has restricted convertibility of such balances consistently with Article VII (1) and (3), and Article VIII (1) of this Agreement, or when the balances have accumulated as a result of transactions effected before the Member removed the transitional arrangements maintained under Article X of this Agreement, or when the balances have been acquired contrary to the exchange control regulations of the Member, or when the currency of the ITO member requesting the purchase has been declared scarce under Article VII, Section 3(a) of the Articles of Agreement of the International Monetary Fund.

#### Article X

##### Transitional Arrangements

1. In the post-war transitional period the Member may, notwithstanding the provisions of any other articles of this Agreement, maintain and adapt <sup>3/</sup> to changing circumstances restrictions on payments and transfers for current international transactions. <sup>4/</sup> The Member shall, however, have

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<sup>3/</sup> If the Special Exchange Agreement is concluded with a Member whose territory has been occupied by the enemy during World War II, that member may expressly be authorized to introduce, where necessary, new restrictions.

<sup>4/</sup> Alternative: During the post-war transitional period the Member may institute, maintain or intensify restrictions on the making of payments and transfers for current international transactions to the extent necessary (i) to forestall the imminent threat of, or to stop, a serious decline in its monetary reserves, or (ii) in the case of a Member with very low monetary reserves, to achieve a reasonable rate of increase in its reserves. Due regard shall be paid in either case to any special factors which may be affecting the Member's reserves or need for reserves, including, where special external credits or other resources are available to it, the need to provide for the appropriate use of such credits or resources. (This wording corresponds with Article 21 (3)(a) of the ITO Charter).

continuous regard in its foreign exchange policies to the purposes of the ITO Charter and of this Agreement, and as soon as conditions permit, it shall take all possible measures to develop such commercial and financial arrangements with other members of the ITO which will facilitate international payments and the maintenance of exchange stability. If the Member still retains these transitional arrangements on or after March 1, 1952, it shall consult at that time and annually thereafter with the ITO as to their further retention.

2. The ITO may, if it deems such action necessary in exceptional circumstances, make representations to the Member that conditions are favorable for the withdrawal of any particular restriction, or for the general abandonment of restrictions inconsistent with the provisions of any other article of this Agreement. The Member shall be given a suitable time to reply to such representations. If the ITO finds <sup>5/</sup> that the member persists in maintaining exchange restrictions contrary to its obligations under this Agreement, the ITO may formally declare that the Member violated this Agreement and its obligations under the Charter.

3. The Member shall notify the ITO as soon as it is prepared to remove all exchange restrictions maintained under this Article.

Article XI

Communication of views to Members

The ITO shall at all times have the right to communicate its views informally to any member on any matter arising under this Agreement.

Article XII

Furnishing of Information

1. The Member shall within the general scope of Article VIII, Section 5 of the Articles of Agreement of the International Monetary Fund, furnish the ITO with such information

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<sup>5/</sup> The findings of the ITO will be based on the determination of the Fund as to whether the Member's action is in accordance with the terms of the Special Exchange Agreement pursuant to Article 24, paragraph 2 of the Charter.



as the ITO deems necessary for the application of this Agreement, including, as a minimum, national data on the following matters:

- (i) Official holdings at home and abroad, of (1) gold,  
(2) foreign exchange
- (ii) Holdings, at home and abroad, by banking and financial agencies, other than official agencies, of (1) gold, (2) foreign exchange.
- (iii) Production of Gold
- (iv) Gold exports and imports according to countries of destination and origin.
- (v) Total exports and imports of merchandise, in terms of local currency values, according to countries of destination and origin.
- (vi) International balance of payments, including (1) trade in goods and services, (2) gold transactions, (3) known capital transaction, and (4) other items.
- (vii) International investment position, i.e., investments within the territories of the Member owned abroad and investments abroad owned by persons in its territories so far as it is possible to furnish this information.
- (viii) National income
- (ix) Price indices, i.e., indices of commodity prices in wholesale and retail markets and of export and import prices.
- (x) Buying and selling rates for foreign currencies.
- (xi) Exchange controls, i.e., a comprehensive statement of the exchange regulations in effect vis-a-vis members and non-members of the ITO at the time this Agreement enters into effect and details of subsequent changes as they occur.
- (xii) Where official clearing arrangements exist, details for amounts awaiting clearance in respect of commercial and financial transactions, and of the length of time during which such arrears have been outstanding.

2. In requesting such information the ITO shall take into consideration the particular circumstances of the Member. The Member shall be under no obligation to furnish information

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in such detail that the affairs of individuals or corporations are disclosed. The Member undertakes, however, to furnish the desired information in as detailed and accurate a manner as it is practicable and, so far as possible, to avoid mere estimates.

Alternative: The Member shall furnish such information within the general scope of Section 5 of Article VIII of the Articles of Agreement of the International Monetary Fund as the ITO may require in order to carry out its functions under the Charter.

#### Article XIII

##### Relations with Non-Members

1. The Member undertakes
  - (i) Not to engage in, nor to permit any of its fiscal agencies to engage in, any exchange transaction with a non-member or with persons in a non-member's territories which would be contrary to the provisions of this Agreement or the purposes of the ITO;
  - (ii) Not to cooperate with a non-member or with persons in a non-member's territories in practices which would be contrary to the provisions of this Agreement or the purposes of the ITO; and
  - (iii) To cooperate with the ITO with a view to the application in its territories of appropriate measures to prevent exchange transactions with non-members or with persons in their territories which would be contrary to the provisions of this Agreement or the purposes of the ITO.
2. Nothing in this Agreement shall affect the right of a Member to impose restrictions on exchange transactions with non-members or with persons in their territories unless the ITO finds that such restrictions prejudice the interests of members and are contrary to the purposes of the ITO.

#### Article XIV

##### Emergency Provisions

If the Fund invokes the provisions of Article XVI of the Articles of Agreement of the International Monetary Fund, the Executive Board of the ITO shall suspend the operation

of Articles IV, V and XIII of this Agreement for the same period of time and to the same extent as the Fund suspends the operation of corresponding provisions of the Articles of Agreement in accordance with Article XVI, Section 1 of the Articles of Agreement of the International Monetary Fund.

Article XV

Miscellaneous Provisions

1. This special exchange agreement entered into by the Member constitutes a part of its obligations under the Havana Charter.
2. Where under this Agreement the Member is authorized in the special or temporary circumstances specified in the Agreement to maintain or establish restrictions on exchange transactions, and there are other engagements between members entered into prior to this Agreement which conflict with the application of such restrictions, the parties to such engagements will consult with one another with a view to making such mutually acceptable adjustments as may be necessary. The provisions of this Article shall be without prejudice to the operation of Article VIII (5) of this Agreement.
3. The Member shall designate a fiscal agency which shall be in communication with the ITO on the exchange matters forming the subject of this Agreement.
4. Whenever in the opinion of the ITO the Member fails to observe any of the provisions of this Agreement, the ITO shall make representations to the Member. The Member shall be given reasonable time to reply to such representations.  
(The procedure to be adopted by the ITO in case the Member persists in violating this Special Exchange Agreement will be considered later. This procedure will be adjusted to Article 93 of the Charter and may be based on rules to be issued under Article 97 (2) of the Charter. In any case, the Fund will determine whether or not action by the Member is in accordance with the Special Exchange Agreement).
5. This Agreement shall enter into force upon signature (at the date of the signature) by the duly authorized representatives of the Member and the ITO. One signed copy of the English (French) version of this Agreement shall be deposited with the Director-General of the ITO and another

copy with the Foreign Minister of .....

6. This Agreement shall terminate, if and when the Member enters the Fund or withdraws from the ITO. Changes in this Agreement may, at any time, be suggested by the Member or the ITO; such changes will become effective as soon as agreed upon by both parties.

DRAFT "B"

SPECIAL EXCHANGE AGREEMENT

The Government of Country X and the International Trade Organization  
BEING DESIROUS of entering into a special exchange agreement pursuant to Article 24 of the Havana Charter  
HEREBY AGREE as follows:

Paragraph 1 - Purposes

The purposes of this Agreement are

- (a) to establish a stable relationship between the currency of Country X and the currencies of the other Members of the International Trade Organization which are members of the International Monetary Fund or have concluded special exchange agreements with the Organization;
- (b) to avoid competitive exchange depreciation;
- (c) to assist in the establishment of a multi-lateral system of payments in respect of current transactions; and
- (d) to eliminate exchange restrictions which hamper the growth of world trade.

Paragraph 2 - Par Value of Currency

(a) The par value of the currency of Country X shall be expressed in terms of gold or in terms of the United States dollar of the weight and fineness in effect on July 1, 1944.

(b) Country X shall communicate to the Organization, within ... days of the signature of this Agreement, the par value of its currency based on the rate of exchange prevailing on the sixtieth day before the entry into force of this Agreement. Country X shall simultaneously communicate a value, in terms of its currency, for each separate currency, where such exists, in the territories in respect of which it has accepted this Agreement under Paragraph 19.

(c) The par value communicated by Country X shall be the par value of its currency for the purposes of this Agreement unless within ninety days of such communication (i) Country X notifies the Organization that it regards the par value as unsatisfactory, or (ii) the Organization

notifies Country X that in its opinion the par value cannot be maintained without prejudice to the provisions and purposes of this Agreement and to Members of the Organization. When notification is given under (i) or (ii), the Organization and Country X shall, within a period determined by the Organization in the light of all relevant circumstances, agree upon a suitable par value for the currency of Country X.

Paragraph 3 - Gold Purchases based on Par Value

The Organization shall prescribe a margin above and below the par value for transactions in gold. Country X shall not buy gold at a price above the par value plus the prescribed margin, or sell gold at a price below the par value minus the prescribed margin.

Paragraph 4 - Foreign Exchange Dealings based on Parity.

The maximum and the minimum rates for exchange transactions between the currency of Country X and the currencies of other Members of the Organization (which are also Members of the Fund or have concluded special exchange agreements with the Organization) taking place within their territories, shall not differ from parity

- (i) in the case of spot exchange transactions, by more than 1%; and
- (ii) in the case of other exchange transactions, by a margin which exceeds the margin for spot exchange transactions by more than the Organization considers reasonable.

Paragraph 5 - Obligations regarding Exchange Stability

(a) Country X undertakes to collaborate with the Organization to promote exchange stability, to maintain orderly exchange arrangements with other Members of the Organization, and to avoid competitive exchange alterations.

(b) Country X undertakes, through appropriate measures consistent with this Agreement, to permit within its territories exchange transactions between its currency and the currencies of other Members of the Organization (which are also Members of the Fund or have concluded special exchange agreements with the Organization) only within the limits prescribed under Paragraph 4. In the event that the

monetary authorities of Country X, for the settlement of international transactions, freely buy and sell gold within the limits prescribed by the Organization under Paragraph 3, Country X shall be deemed to be fulfilling this undertaking.

Paragraph 6 - Changes in Par Value

(a) Country X shall not propose a change in the par value of its currency except to correct a fundamental disequilibrium.

(b) A change in the par value of the currency of Country X may be made only on the proposal of Country X and only after consultation with the Organization.

(c) When a change is proposed, the Organization shall first take into account the changes, if any, which have already taken place in the initial par value of the currency of Country X as determined under Paragraph 2(b). If the proposed change, together with all previous changes, whether increases or decreases,

(i) does not exceed 10% of the initial par value, the Organization shall raise no objection;

(ii) does not exceed a further 10% of the initial par value, the Organization may either concur or object but shall declare its attitude within ... hours if Country X so requests;

(iii) is not within (i) or (ii) above, the Organization may either concur or object but shall be entitled to a longer period in which to declare its attitude.

(d) A change in the par value, proportionate to a uniform change in the par values of the currencies of members of the Fund, made under Section 7 of Article IV of the Articles of Agreement of the Fund, shall not be taken into account in determining whether a proposed change falls within (i), (ii) or (iii) of sub-paragraph (c).

(e) Country X may change the par value of its currency without the concurrence of the Organization if the change does not affect the international transactions of Members of the Organization.

(f) The Organization shall concur in a proposed change which is within the terms of (ii) or (iii) of sub-paragraph (c), if it is satisfied that the change is necessary to

correct a fundamental disequilibrium. In particular, provided it is so satisfied, it shall not object to a proposed change because of the domestic, social or political policies of Country X.

Paragraph 7 - Uniform Changes in Par Values

In the event that a uniform proportionate change in the par values of the currencies of members of the Fund is made under Section 7 of Article IV of the Articles of Agreement of the Fund, Country X may change the par value of its currency in the same proportion provided it so notifies the Organization within ... days of the Fund's action.

Paragraph 8 - Separate Currencies Within the Territory of Country X

In the event that Country X proposes a change in the par value of its currency, it shall be deemed, unless it declares otherwise, to be proposing a corresponding change in the par value of the separate currencies of all territories in respect of which it has accepted this Agreement under Paragraph 19. It shall, however, be open to Country X to declare that its proposal relates either to the metropolitan currency alone or only to one or more specified separate currencies, or to the metropolitan currency and one or more specified currencies.

Paragraph 9 - Avoidance of Restrictions on Current Payments

(a) Subject to the provisions of Paragraphs 11(a) and 13, Country X shall not, except with the approval of the Organization, impose restrictions on the making of payments and transfers for current international transactions.

(b) Exchange contracts, which involve the currency of Country X and which are contrary to its exchange control regulations maintained or imposed consistently with this Agreement, shall be unenforceable in the territories of any Member of the Organization which is also a Member of the International Monetary Fund or has concluded a special exchange agreement with the Organization. In addition, any such Member of the Organization may, by mutual accord, cooperate with Country X in measures for the purpose of making the exchange control regulations of either Member more effective, provided that such measures and regulations are consistent with this Agreement.



Paragraph 10 - Avoidance of Discriminatory Currency Practices.

Country X shall not engage in, or permit any fiscal agent acting on its behalf to engage in, any discriminatory currency arrangements or multiple currency practices except as authorized under this Agreement or approved by the Organization. If such arrangements and practices are engaged in at the date when this Agreement enters into force Country X shall consult with the Organization as to their progressive removal unless they are maintained or imposed under Paragraph 11(a), in which case the provisions of Paragraph 11(c) shall apply.

Paragraph 11 - Transitional Period

(a) In the transitional period following the close of the Second World War, Country X may, notwithstanding the provisions of any other paragraph of this Agreement, maintain and adapt to changing circumstances<sup>o</sup> restrictions on payments and transfers for current international transactions. Country X shall, however, have continuous regard in its foreign exchange policies to the purposes of this Agreement; and, as soon as conditions permit, it shall take all possible measures to develop such commercial and financial arrangements with other Members of the Organization as will facilitate international payments and the maintenance of exchange stability. In particular, Country X shall withdraw restrictions maintained or imposed under this paragraph as soon as it is satisfied that it will be able, in the absence of such restrictions, to maintain a position of equilibrium in its balance of payments.

(b) Country X shall notify the Organization, within ... days of the entry into force of this Agreement, whether it intends to avail itself of the transitional arrangements in sub-paragraph (a), or whether it is prepared to accept the obligations of Paragraphs 9 and 10. In the event that Country X avails itself of the transitional arrangements under sub-paragraph (a), it shall notify the Organization as soon as it is prepared to accept the above-mentioned obligations of Paragraphs 9 and 10.

<sup>o</sup>If "X" is a country whose territories were occupied by the enemy during the Second World War, the words "and introduce where necessary" should be inserted after the word "circumstances".

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(c) Not later than March 1, 1950, and in each year thereafter, Country X shall report to the Organization on the restrictions still in force under sub-paragraph (a). Not later than March 1, 1952, and in each year thereafter, if Country X still retains any restrictions inconsistent with Paragraphs 9 and 10, it shall consult with the Organization as to their further retention. The Organization may, if it deems such action necessary in exceptional circumstances, make representations to Country X that conditions are favourable for the withdrawal of any particular restriction, or for the general abandonment of restrictions, inconsistent with the provisions of any other paragraph of this Agreement, Country X shall be given a suitable time to reply to such representations. If the Organization finds that Country X persists in maintaining restrictions which are inconsistent with the purposes of this Agreement, the Organization may terminate this Agreement.

Paragraph 12 - Controls of Capital Transfers

Country X may exercise such controls as are necessary to regulate international capital movements, but may not exercise these controls in a manner which will restrict payments for current transactions or which will unduly delay transfers of funds in settlement of commitments, except as provided in Paragraphs 11(a) and 13.

Paragraph 13 - Scarce Currencies

(a) A declaration by the Fund, under Article VII, Section 3(a) of the Articles of Agreement of the Fund, that a currency is scarce shall operate as an authorization to Country X, after consultation with the Organization, to impose temporarily limitations on the freedom of exchange operations in the scarce currency. Subject to the provisions of Paragraphs 3 and 4, Country X shall have complete jurisdiction in determining the nature of such limitations, but they shall be no more restrictive than is necessary to limit the demand for the scarce currency to the supply held by, or accruing to, Country X; and they shall be relaxed and removed as rapidly as conditions permit.

(b) Any authorization under sub-paragraph (a) shall expire whenever the Fund formally declares the currency in question to be no longer scarce.

(c) In the event that Country X imposes restrictions in respect of the currency of any other Member of the Organization pursuant to the provisions of sub-paragraph (a), Country X shall give sympathetic consideration to any representations by that other Member regarding the administration of such restrictions.

Paragraph 14 - Consultation Regarding Existing International Agreements

Where under this Agreement Country X is authorized in the special or temporary circumstances specified in this Agreement to maintain or establish restrictions on exchange transactions, and Country X has other engagements with Members of the Organization entered into prior to this Agreement which conflict with the application of such restrictions, the parties to such engagements will consult with one another with a view to making such mutually acceptable adjustments as may be necessary.

Paragraph 15 - Relations with non-Members

(a) Country X undertakes not to engage in, nor to permit any fiscal agency acting on its behalf to engage in, any transactions with a country, or with persons in the territories of a country, which is not a Member of the Fund or which has not concluded a special exchange agreement with the Organization, which would be contrary to the provisions or the purposes of this Agreement;

(b) Country X undertakes not to cooperate with such country or with persons in the territories of such country in practices which would be contrary to the provisions or the purposes of this Agreement; and

(c) Country X undertakes to cooperate with the Organization with a view to the application in its territories of appropriate measures to prevent transactions with such country or with persons in the territories of such country which would be contrary to the provisions or the purposes of this Agreement.

Paragraph 16 - Temporary Suspension

In the event that the Executive Directors of the Fund decide, under Article XVI, Section 1, of the Articles of Agreement of the Fund, to suspend the operation of any of the provisions of Article IV, Sections 3 and 4, or Article XI, Section 1, the corresponding provisions of this Agreement

shall be suspended in a similar manner and for the same duration of time.

Paragraph 17 - Furnishing of Information

(a) Country X shall furnish the Organization with such information as it may require in order to discharge its responsibilities under the Havana Charter, including national data on the following matters:

- (i) Official holdings at home and abroad of (1) gold, (2) foreign exchange;
- (ii) Holdings at home and abroad by banking and financial agencies, other than official agencies, of (1) gold, (2) foreign exchange;
- (iii) Production of gold;
- (iv) Gold exports and imports according to countries of destination and origin;
- (v) International balance of payments, including (1) trade in goods and services, (2) gold transactions, (3) known capital transactions, and (4) other items;
- (vi) International investment position, i.e. investments within the territories of Country X owned abroad and investments abroad owned by persons in the territories of Country X, so far as it is possible to furnish this information;
- (vii) National income;
- (viii) Price indices, i.e. indices of commodity prices in wholesale and retail markets and of export and import prices;
- (ix) Buying and selling rates for foreign currencies;
- (x) Exchange controls, i.e. a comprehensive statement of exchange controls in effect at the date when this Agreement enters into force and details of subsequent changes as they occur;
- (xi) Where official clearing arrangements exist, details of amounts awaiting clearance in respect of commercial and financial transactions, and of the length of time during which such arrears have been outstanding.

(b) In requesting information, the Organization shall take into consideration the ability of Country X to furnish the data requested. Country X shall be under no obligation to furnish information in such detail that the affairs of individuals or corporations are disclosed. Country X undertakes, however, to furnish the desired information in as detailed and accurate a manner as is practicable, and, so far as possible, to avoid mere estimates.

Paragraph 18 - Explanation of Terms

In interpreting the provisions of this Agreement, the Organization shall be guided by the explanation of terms contained in Article XIX of the Articles of Agreement of the Fund.

Paragraph 19 - Territorial Application

By its signature of this Agreement, Country X accepts it both on its own behalf and in respect of all its colonies, overseas territories, all territories under its protection, suzerainty or authority and all territories in respect of which it exercises a mandate.

Paragraph 20 - Amendments

(a) In the event that the Articles of Agreement of the Fund are amended, the Organization shall consult with Country X to determine whether this Agreement requires consequent amendment.

(b) Any proposal to introduce modifications in this Agreement, whether emanating from Country X or the Organization, shall be referred to the Executive Board. Country X shall be entitled to be represented at any meeting at which such a proposal is to be discussed and to participate in the discussions.

Paragraph 21 - Entry into Force

This Agreement shall enter into force when it has been signed on behalf of the Government of Country X and by the Organization.

Paragraph 22 - Termination

In the event that the Board of Governors of the Fund decide to liquidate the Fund, the obligations under this Agreement shall cease to have force and effect as from the date when the corresponding provisions of the Articles of Agreement of the Fund cease to be binding upon the Members of the Fund.