

GENERAL AGREEMENT  
ON TARIFFS AND  
TRADE

ACCORD GENERAL SUR  
LES TARIFS DOUANIERS  
ET LE COMMERCE

RESTRICTED  
LIMITED B  
GATT/CP.3/46  
21 June, 1949  
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CONTRACTING PARTIES

Third Session

RELATION OF THE CONTRACTING PARTIES WITH THE  
INTERNATIONAL MONETARY FUND

The following letter has been sent on 21 June, 1949, on behalf of the Chairman of the Contracting Parties to the Managing Director of the International Monetary Fund, subsequent to the adoption by the Contracting Parties of the Report of Working Party 3 on Consultation Procedure under Article XII, paragraph 4 (a) of the General Agreement.

"I beg to refer to the letters exchanged between us, dated 9 September and 28 September 1948, respectively, concerning the cooperation between the International Monetary Fund and the CONTRACTING PARTIES to the General Agreement on Tariffs and Trade in carrying out the provisions of the General Agreement. (See documents GATT/CP.2/44 and GATT/CP.2/44/Add.1) Subsequent to this exchange of letters the CONTRACTING PARTIES have given further consideration to the question of procedures for consultations provided for in **Article XII 4 (a)** of the General Agreement and have adopted proposals which are set out in the enclosure to this letter. (GATT/CP.3/30/Rev.1) I hope that the International Monetary Fund will see no difficulty in pursuing its collaboration with the CONTRACTING PARTIES, as provided for in the exchange of letters, within the framework of the arrangements now adopted by the CONTRACTING PARTIES.

The report of the Working Party on Consultation Procedure under paragraph 4 (a) of Article XII of the General Agreement contains in paragraph 16 a suggestion on which I would be gratified to have your views. It has been suggested that a contracting party which is not a member of the Fund may desire to consult directly with the Fund when it considers matters affecting that party in connection with the consultation under provisions of the General Agreement. That suggestion has been worded in general terms so as to cover other cases than those specifically provided for in paragraph 4 (a) of Article XII of the General Agreement. I know that the Fund does not normally offer such facilities to non-Fund members; I hope however that, in view of the close cooperation between the CONTRACTING PARTIES and the Fund, which the General Agreement contemplates, it will be possible to arrange for such consultations to take place.

I should also like to refer again to your letter of 10 March 1949, about coordination of public announcements relating to consultations between the International Monetary Fund and the CONTRACTING PARTIES. On this question the views of the CONTRACTING PARTIES are as follows:

a) Having regard to the provisions of paragraph XII 4 (e) of the General Agreement, public announcements relating to consultations under that Article should be avoided whilst such consultations are in progress.

b) Prior to any public announcement at the conclusion of any such consultation, the CONTRACTING PARTIES and the International Monetary Fund should consult each other. Whilst such consultation should be such as to afford either party a reasonable opportunity to make known its views on any proposed announcement, it should not be such as unduly to delay any announcement which the CONTRACTING PARTIES or the Fund consider requires to be made on a particular date.

c) Such consultation shall relate to all public announcements but it should be agreed that those of a routine character might be cleared by agreement between the CONTRACTING PARTIES and the representatives of the Fund actually engaged in the consultation.

I hope that the Fund will agree with these principles."