

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED
LIMITED B
GATT/CP.5/16
31 October 1950
ORIGINAL: ENGLISH

CONTRACTING PARTIES
Fifth Session

SPECIAL EXCHANGE AGREEMENTS

Note by the Executive Secretary

The requirement of Article XV that contracting parties which are not members of the International Monetary Fund shall enter into special exchange agreements with the Contracting Parties was reviewed at the Fourth Session, and resolutions were adopted requiring the acceptance of such agreements by certain contracting parties not later than November 2, 1950, if by that time they had not become members of the Fund. The following is the position in respect of acceptance of agreements as at 31 October 1950:

(a) Two contracting parties have recently joined the Fund -

Ceylon: The Government of Ceylon became a member of the Fund on 29 August, 1950, and therefore the agreement entered into by Ceylon terminated on that date.

Pakistan: The Government of Pakistan became a member of the Fund on 11 July, 1950, and therefore has not entered into an agreement with the Contracting Parties.

(b) Five contracting parties are not members of the Fund; agreements for acceptance by these contracting parties have been deposited with the Secretary-General of the United Nations, but have not thus far been accepted by them -

✓ Burma: The Burmese Delegation has asked its government for information.

✓ Haiti: The Government of Haiti has applied for membership in the Fund, and conditions of membership have been agreed upon. The Delegation of Haiti has asked its Government for information.

✓ Indonesia: The Government of Indonesia has applied for membership in the Fund, but proposes meanwhile to enter into an agreement with the Contracting Parties. The Government of Indonesia intends to avail itself of the transitional arrangements of Article XI.

New Zealand: The New Zealand delegation has advised that its Government "has given careful consideration to the resolution adopted by the Contracting Parties on 3rd April 1950", but "finds that there are certain serious difficulties in the present situation which it considers affect all the contracting parties to which the provisions of Article XV(6) of the General Agreement apply". The New Zealand delegation states that it would "seize this opportunity to discuss these difficulties with the Contracting Parties at the Fifth Session", and that it has been instructed to inform the Contracting Parties "that the New Zealand government does not feel able to take action in accordance with the terms of the resolution".

✓ Sweden: The Government of Sweden has applied for membership in the Fund; it is thought that the negotiations are in an advanced stage, and that Sweden will become a member before long. In these circumstances, the Swedish Government does not wish to enter into an agreement and hopes that a later date for Sweden joining the Fund will be accepted by the Contracting Parties. (Note: By a resolution of the Third Session, an acceding government which is not a member of the Fund is required either to join the Fund or accept an Agreement within four months of becoming a contracting party. Sweden became a contracting party on 30 April, 1950).