RESTRICTED

L/2571
4 March 1966

Limited Distribution

GENERAL AGREEMENT ON TARIFFS AND TRADE

ARTICLE XV:6

Waiver Granted to Indonesia

Decision of 28 February 1966[1]

Having received from the Government of Indonesia a request to be relieved from the requirement, prescribed in paragraph 6 of Article XV of the General Agreement, that any contracting party which ceases to be a member of the International Monetary Fund shall enter into a special exchange agreement with the CONTRACTING PARTIES;

Noting that, owing to special circumstances, the application of the provisions of paragraph 6 of Article XV to Indonesia would raise a number of legal and practical difficulties; and

Noting the assurances given by Indonesia that it will act in exchange matters in a manner fully consistent with the principles of the special exchange agreement as adopted by the CONTRACTING PARTIES in their Resolution of 20 June 1949[2] and in accordance with the intent of the General Agreement;

The CONTRACTING PARTIES, acting pursuant to the provisions of Article XXV:5 of the General Agreement,

Decide:

1. Without derogation from any other provisions of Article XV, Indonesia shall be relieved from the provisions of paragraph 6 of Article XV, for such time as Indonesia satisfies the CONTRACTING PARTIES by means of such consultations as may be held pursuant to this Decision, together with the information required to be reported to the CONTRACTING PARTIES, that its action in exchange matters is fully consistent with the principles of the special exchange agreement and in accordance with the intent of the General Agreement.

2. Indonesia shall report to the CONTRACTING PARTIES promptly on any action taken by it which would have been required to be reported to the CONTRACTING PARTIES had Indonesia signed the special exchange agreement.

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[1] The Decision was adopted by forty-one votes in favour and none against.

[2] BISD, Volume II, page 17.

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3. Indonesia shall consult at any time, subject to thirty days notice, with the CONTRACTING PARTIES at the request of any contracting party which considers that Indonesia has taken exchange action which may have a significant effect on the application of the provisions of the General Agreement or is inconsistent with the principles of the special exchange agreement.

4. If, as a result of the consultation referred to in paragraph 3, the CONTRACTING PARTIES find that Indonesia has taken exchange action contrary to the intent of the General Agreement, they may determine that the present Decision shall cease to apply and Indonesia will thereafter be bound by the provisions of paragraph 6 of Article XV of the General Agreement.