

# GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

L/31/Add.1  
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Limited Distribution

## BELGIAN RESTRICTIONS ON IMPORTS FROM THE DOLLAR AREA

### ADDENDUM

#### Results of the Consultation between the International Monetary Fund and the Governments of Belgium and Luxemburg

1. At the meeting of the Intersessional Committee on 4 - 5 September, the representative of the International Monetary Fund stated that documentation relating to the consultation between the Fund and Belgium-Luxemburg under Article XIV, Section 4, of the Fund Agreement, would be made available to the CONTRACTING PARTIES before the Seventh Session (cf. L/31, paragraph 4).
2. The Fund has supplied copies of the background material which its staff prepared in connection with its consultation with Belgium-Luxemburg. The material is contained in three documents entitled:

#### Economic Position

#### Recent Developments, and

#### Restrictive System.

A copy of these has been sent to each delegation attending the Seventh Session.

3. In a letter of 28 August, the Fund advised that it had completed its consultation with Belgium-Luxemburg. By a letter dated 2 October 1952, the Fund has supplied the following information on the results of this consultation:

"The Governments of Belgium and Luxemburg have consulted the Fund under Article XIV, Section 4 of the Fund Agreement concerning the further retention of their transitional arrangements.

"The Fund has noted the present strong balance of payments and reserve position of Belgium and Luxemburg. Accordingly, the Fund considers that under existing circumstances relaxation of exchange restrictions is feasible and requests Belgium and Luxemburg to reconsider the necessity for the present level of restrictions affecting dollar imports.

"The Fund has also consulted with Belgium respecting the free market in EPU currencies, discriminatory export taxes, and partial blocking of proceeds arising from transactions with EPU countries. Since

the Fund is examining various types of discriminatory arrangements now prevalent in Europe, the Fund's conclusion as to these measures in the case of Belgium will be deferred.

"In concluding the 1952 consultations, the Fund has no other comments to make on the transitional arrangements maintained by Belgium and Luxemburg."

4. In transmitting this information the Managing Director of the Fund draws attention to the fact that the statement "the Fund considers that under existing circumstances relaxation of existing restrictions is feasible and requests Belgium and Luxemburg to reconsider the necessity for the present level of restrictions affecting dollar imports" does not constitute a formal representation under Article XIV, Section 4, of the Fund Agreement and that, in particular, the restrictions affecting dollar imports mentioned therein are still maintained consistently with Article XIV of the Fund Agreement.