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SM/83/109
Supplement 1

CONTAINS CONFIDENTIAL
INFORMATION

July 28, 1983

To: Members of the Executive Board
From: The Secretary
Subject: Afghanistan - 1983 Consultation

Attached for the records of the Executive Directors is the decision taken in concluding the 1983 Article XIV consultation, in the light of the 1983 Article IV consultation, with Afghanistan at Executive Board Meeting 83/112, July 27, 1983.

Att: (1)

Other Distribution:
Department Heads

INTERNATIONAL MONETARY FUND

Afghanistan - 1983 Consultation

Executive Board Decision - July 27, 1983

1. The Fund takes this decision relating to Afghanistan's exchange measures subject to Article VIII, Sections 2 and 3, and in concluding the 1983 Article XIV consultation with Afghanistan in the light of the 1983 Article IV consultation with Afghanistan conducted under Decision No. 5392-(77/63), adopted April 29, 1977 (Surveillance over Exchange Rate Policies).

2. Afghanistan's present exchange regime involves exchange restrictions and multiple currency practices as described in SM/83/115. The Fund hopes that the authorities will pursue a more flexible exchange rate policy, with a view toward the eventual establishment of a unified exchange rate system. The Fund encourages Afghanistan to terminate the bilateral payments agreements with two Fund members.