

1. The Fund takes this decision relating to the Philippines's exchange measures subject to Article VIII, Sections 2 and 3, and in concluding the 1984 Article XIV consultation with the Philippines, in the light of the 1984 Article IV consultation with the Philippines conducted under Decision No. 5392-(77/63), adopted April 29, 1977 (Surveillance over Exchange Rate Policies).

2. The Fund notes that the Philippines maintains a comprehensive system of exchange restrictions, including: (a) the requirement of prior approval by the Central Bank for foreign exchange sales for specified imports and other payments, which is not automatically provided; (b) the indefinite suspension of foreign exchange applications for imports for specified products; (c) payments arrears with respect to current international payments and transfers; (d) limits established by the Central Bank on foreign exchange sales for specified invisible payments; and (e) a tax on foreign exchange purchases for non-merchandise imports, which was introduced on June 6, 1984. The Fund urges the Philippine authorities to adopt policies that would permit the early removal of these restrictions.

Decision No. 7746-(84/102), adopted
June 29, 1984