

Decision Concluding 1984 Article XIV Consultation

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

2. Zambia's exchange system remains highly restrictive. In the context of the program supported by a stand-by arrangement, the authorities intend to pursue the policies that will permit a progressive reduction in external payments arrears and facilitate other steps toward a more liberal exchange system. In the circumstances of Zambia, the Fund grants approval for the restrictions on payments and transfers for current international transactions, including the restriction evidenced by external payments arrears, and a multiple currency practice arising from the existing counterpart deposit scheme for external payments arrears as referred to in SM/84/125 until June 30, 1985, or the next Article IV consultation, whichever is earlier. The Fund urges the authorities to eliminate a multiple currency practice arising from the 10 percent levy on the sale of foreign exchange for private overseas travel.

Decision No. 7756-(84/110), adopted
July 18, 1984