

1. PHILIPPINES - 1986 ARTICLE IV CONSULTATION - DECISION CONCLUDING
ARTICLE XIV CONSULTATION

1. The Fund takes this decision relating to the Philippines' exchange measures subject to Article VIII, Section 2(a), and in concluding the 1986 Article XIV consultation with the Philippines, in the light of the 1986 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 welcomes the maintenance by the Philippines of an exchange system free of restrictions on payments and transfers on current international transactions other than the recently introduced limitation on the remittance of certain dividends, in connection with the debt to equity conversion scheme, as described in the forthcoming report on recent economic developments, which is subject to approval under Article VIII, Section 2(a). The Fund urges the authorities to look into the possibility of achieving their investment aims by means other than those involving an exchange restriction.

Decision No. 8428-(86/173), adopted
October 24, 1986