

1. SRI LANKA - 1989 ARTICLE IV CONSULTATION -
DECISION CONCLUDING ARTICLE XIV CONSULTATION

1. The Fund takes this decision relating to Sri Lanka's exchange measures subject to Article VIII, Sections 2(a) and 3, and in concluding the 1989 Article XIV consultation with Sri Lanka, in the light of the 1989 Article IV consultation with Sri Lanka conducted under Decision No. 5392-(77/63), adopted April 29, 1977, as amended (Surveillance over Exchange Rate Policies).

2. Sri Lanka's exchange system is free of restrictions on payments and transfers for current international transactions, except the restriction arising from the limitations on the availability of foreign exchange for personal travel abroad, which is maintained in accordance with Article XIV, Section 2, and the multiple currency practice arising from a stamp duty of 3 percent on letters of credit for imports, which is subject to approval under Article VIII, Sections 2(a) and 3. The Fund encourages Sri Lanka to eliminate the restriction on travel allowances as soon as circumstances permit and urges the early removal of the multiple currency practice arising from the stamp duty.

Decision No. 9269-(89/134), adopted
October 11, 1989