

2. NICARAGUA - 1994 ARTICLE IV CONSULTATION - EXCHANGE MEASURES  
SUBJECT TO ARTICLE VIII

1. The Fund takes this decision relating to Nicaragua's exchange measures subject to Article VIII, Sections 2(a) and 3, in the light of the 1994 Article IV consultation with Nicaragua conducted under Decision No. 5392-(77/63), adopted April 29, 1977, as amended (Surveillance over Exchange Rate Policies).

2. Nicaragua maintains restrictions on the making of payments and transfers for current international transactions as evidenced by certain external payments arrears, and on payments for invisibles, subject to Fund approval under Article VIII, Section 2(a), and engages in a multiple currency practice arising from the operation of private exchange houses, subject to Fund approval under Article VIII, Section 3. The Fund approves the retention by Nicaragua of the exchange restrictions on payments for invisibles until end-February 1995 or completion of the review under the first annual arrangement under the enhanced structural adjustment facility, whichever is earlier; and the restrictions on payments for private debts and the multiple currency practice until end-June 1995.

Decision No. 10721-(94/57), adopted  
June 24, 1994