

DOCUMENT OF INTERNATIONAL MONETARY FUND AND NOT FOR PUBLIC USE

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SM/81/196
Supplement 1

CONTAINS CONFIDENTIAL
INFORMATION

November 19, 1981

To: Members of the Executive Board
From: The Secretary
Subject: Zambia - 1981 Consultation

Attached for the records of the Executive Directors is the decision taken in concluding the 1981 Article XIV consultation, in the light of the 1981 Article IV consultation, with Zambia at the Executive Board Meeting 81/143, November 18, 1981.

Att: (1)

Other Distribution:
Department Heads

INTERNATIONAL MONETARY FUND

Zambia - 1981 Consultation

Executive Board Decision - November 18, 1981

1. The Fund takes this decision relating to Zambia's exchange measures subject to Article VIII, Section 2, and in concluding the 1981 Article XIV consultation with Zambia, in the light of the 1981 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 medium-term program supported by an extended arrangement, the authorities intend to pursue the policies that will permit a substantial reduction in arrears and facilitate other steps toward a liberal exchange system. The Fund welcomes the steps taken by Zambia in this direction and grants approval for the restrictions on making of payments and transfers for current international transactions referred to in SM/81/196 until December 31, 1982, or the next Article IV consultation, whichever comes first.