

INTERNATIONAL MONETARY FUND
Minutes of Executive Board Meeting 60/35
9:30 a.m., June 30, 1960

Per Jacobsson, Chairman
H. M. Cochran, Deputy Managing Director

Executive Directors

B. N. Adarkar
E. Asp
The Earl of Cromer

W. Guth

W. Müller
O. Paranaguá

Soemarno
F. A. Southard
B. Tann

Alternate Executive Directors

Th. Asgeirsson
G. J. MacGillivray
J. Waitzenegger
A. W. McCasker
J. A. Montealegre
C. P. Caranicas

A. F. M. van der Ven, Temporary
J. Urrutia

C. L. Read
A. Mansour
A. J. Mouzoughi
J. S. Hooker
I. S. Sun
M. Toussaint
P. M. Jayarajan

A. C. Frost, Acting Secretary
F. Hodel, Assistant Secretary

Also Present

Asian Department: A. A. Mattera. Exchange Restrictions Department: I. S. Friedman, Director; R. V. Anderson, M. A. Qureshi, U. Sacchetti. Legal Department: H. Aufricht, J. G. Evans, A. S. Gerstein, P. Lachman, G. Nicoletopoulos. Middle Eastern Department: J. W. Gunter, Deputy Director; D. Bousheri, H. J. Costanzo, A. S. Ray. Research and Statistics Department: W. H. Taylor. Western Hemisphere Department: J. Del Canto, Director; G. A. Costanzo, Deputy Director; P. J. Brand, A. S. Foz. Office of the Treasurer: P. Ehrlich, R. Kroc. D. H. F. Somerset, Personal Assistant to the Managing Director. Technical Assistants to Executive Directors: G. Koenig, G. A. Low, R. M. Mays-Smith, P. Sundaram, R. Wilson.

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1. Executive Director

The Chairman welcomed Mr. van der Ven, Temporary Alternate Executive Director, to the Executive Board.

2. Exchange Measures - Cuba

The Executive Board discussed a staff memorandum and appraisal with respect to Cuba's existing exchange practices (EBS/60/66, 6/27/60, and Cors. 1 and 2, 6/28/60) and considered the following revised recommendation put forward by the Chairman:

Cuba has consulted with the Fund with respect to its existing exchange practices. The Fund notes that Cuba maintains exchange practices constituting restrictions on current payments and transfers and multiple rates requiring Fund approval. The Fund believes that early elimination of these practices is needed and urges the adoption of measures which will lead to that result.

The Chairman said he regretted that the matter had to be taken up on such short notice and he appreciated the willingness of the Board to consider it at this time. He noted that the revised recommendation which he had put forward followed directly from the staff appraisal, and was more in line with that appraisal than the original recommendation.

Mr. Montealegre observed that the latest press reports on the Cuban situation pointed up the exceptional circumstances in the light of which the case had to be considered by the Fund. The paper before the Board represented an attempt to reach agreement on the Cuban exchange system which could be acceptable to the Fund and the member. It was important to bear in mind that the Fund was one of the few international institutions in the field of economic affairs with which Cuba presently maintained friendly relations. Cuba had recently sent a high-ranking official to the Fund in response to the management's invitation for consultations with the staff in conformity with the Board's decision of last September (EBM/59/38, Item 1, 9/24/59). These consultations had been carried out in an amicable spirit, and he had been instructed to convey the Cuban authorities' appreciation for this and for the staff paper. Mr. Gómez also wished to record his appreciation of the effort made to avoid any difficulties with Cuba at this time. Mr. Montealegre said the Cuban authorities were prepared to accept the text of the original staff recommendation. He would comment on the new text recommended by the Chairman after he had had an opportunity to consider it and to hear the views of the other Directors.

Mr. Southard said the staff paper presented, although not in altogether satisfactory terms, the very unhappy record of the deterioration, and in considerable part, destruction of a currency which had long been strong in this part of the world. In the light of the measures taken in December 1959 (on which there had been no consultation with or notification to the Fund), one had to conclude that Cuba had put into effect a complete control on all payments and transfers and in a form which the Fund from its beginning had had to oppose. The measures were not in the form of clear regulations which everyone could understand but were administered by officials with wide powers of decision.

To some extent, Mr. Southard said, this had been covered in the staff memorandum, but some statements cited as those of the Cuban representative were not sustained by the known facts. For example, the paper said that "in granting licenses there is no discrimination based on country of origin or the currency used for payment" (EBS/60/66, p. 7, 6/27/60). This was not true for it was well known that the Cuban Government determined both what items could be imported and the source from which they could be procured. For example, an oil refinery could only import Russian oil; a canning factory could not import tinplate from its ordinary sources but only from Russia. These were examples of the facts which he thought the staff paper could have mentioned. It was also stated in the memorandum that "where a license is not granted, there is no out-right refusal but simply indefinite delay" (*ibid.*). The staff might have made clear in its discussions with the Cuban representative that this was one of the worst kinds of licensing systems.

Insofar as the policy on payment of commercial arrears was concerned, Mr. Southard said there was no basis in equity for differentiating between arrears due to "importers who were not branches, subsidiaries, distributors, or agents of parent firms abroad" and those due "other firms" (*ibid.*, p. 8). The paper said that the policy was to pay the first group quickly and to clear up the arrears of the second group on a monthly basis. It went on to say that so far the arrears of the first group had been "substantially cleared up" (*ibid.*). Having in mind the complaints which his Government was receiving daily from creditors in this group, it could not be said that this statement was true. Moreover, payments to the second group were not being made on a monthly basis but only intermittently and in small amounts. As regards payment of the large amount of petroleum arrears, the companies had been shipping petroleum to Cuba for many months with no way of knowing when or on what basis they would be allowed to obtain foreign exchange.

Mr. Southard was also disturbed about Cuba's controls on invisibles and especially the practice of carefully scrutinizing profit transfers which the report said frequently resulted in long delays (*ibid.*). This was clearly not a tolerable way for any Fund member to deal with the control of capital, and he hoped the staff had made this clear to the Cuban representative. The paper also reported that "certain other nontrade payments, e.g., amortization for investments, are not at present authorized" (*ibid.*). It was difficult to understand the reason for this policy, and he wondered whether the staff had questioned the Cuban representative about it.

With respect to the system of controls on imports and import payments and whether any features fell within the Fund's jurisdiction, Mr. Southard drew attention to the statement in the report that the Cuban representative had indicated that "it is within the discretion of the exchange authorities to refuse the granting of exchange in respect of goods for which an import license has been obtained but that in practice exchange for such purposes is granted freely" (*ibid.*, p. 10). Certainly, in the case of petroleum, exchange was not being granted freely. Moreover, the statement of the Cuban representative was a clear admission that Cuba maintained an exchange control and an import control which were separable and which were known to have so operated.

In concluding, Mr. Southard said there could be no doubt that the Cuban restrictive system was operating in an inequitable and severe way, and that there was no evidence in the material before the Board of a need for the present practices. He regretted that

the staff had originally submitted its recommendation in a form which implied such a need and he was glad to see that the revised text omitted that implication. He was prepared to accept this new proposal but only because it was clear that it did not carry Fund approval of Cuba's existing exchange practices. He was pleased to note that the staff had said that it could not recommend the required approval (*ibid.*, p. 10a).

Mr. Guth thought that it was unnecessary to review at length the deplorable developments in Cuba's exchange policy since the Board's discussion last September (EBM/59/38, Item 1, 9/24/59), but he wished to recall that at that time the Board had based its temporary approval on the understanding that there would be constructive consultations between Cuba and the staff before June 30, 1960 and that the Board would have an opportunity to consider the results of these talks well before that date. Furthermore, the Board had acted on measures which the Cuban authorities had declared were temporary. Now, the Board not only had to face the fact that these particular practices were still in force with no hope of their early abolition, but also that Cuba, which was an Article VIII country, had introduced a whole range of new restrictions without consulting or even notifying the Fund or seeking its approval. Whatever Cuba's need for balance of payments protection might be, it definitely had not been necessary to introduce measures of such a discriminatory and arbitrary kind and to put the entire exchange system under severe control. However, with respect to the question of need, the Fund could not easily consider that restrictions were justifiable where a country by its own actions brought about its balance of payments difficulties. Clearly, no evidence of need and no justification for the particular type of practices adopted had been presented to the Board in the Cuban case. Mr. Guth thought the lack of reliable and concrete information in this case, as evidenced by the staff paper, pointed up that Cuba was not maintaining close relations with the Fund. Since the Cuban authorities seemed to believe that they had maintained good relations, it was important to make clear what such a close relationship involved. Certainly, it did not exist where a member thought it sufficient to send one official to provide information to the staff shortly before a report had to be made to the Board. According to his understanding a good relationship between the Fund and a member country meant continuous close contact and the frequent exchange of information so that in practice the staff would be in a position to report to the Board on that country at any time. The lack of information about this Article VIII country was therefore in his view one of the most disturbing factors in the case.

In conclusion, Mr. Guth said that, like Mr. Southard, he could agree to the revised recommendation on the understanding that it did not carry Fund approval of Cuba's exchange practices. He hoped, however, that efforts would be made to establish closer relations between the Fund and Cuba and that a satisfactory solution of Cuba's problems would be worked out.

Mr. Paranaguá thought it was unfortunate that the Fund had to deal with the Cuban case in the present circumstances because the Fund's decision might not only be regarded as involving interpretations applicable to an Article VIII country but also provide the basis for some propaganda against the Fund. If the Cuban authorities wished to retort, they could point to the fact that the Fund had not acted in the same severe way with respect to other countries which maintained similar restrictive practices. He was willing to support the proposed revised decision, despite these important considerations and the fact that there was no mention of Article VIII, but he thought the text was weak when it said the Fund "believes" that early elimination of the practices is needed,

whereas what seemed to be intended was to have the Fund urge an Article VIII country to live up to its obligations under the Fund Agreement. While he agreed with Mr. Southard that many well-known facts had not been reported in the staff paper, Mr. Paranaguá said he had understood that the paper merely reproduced information provided by the Cuban representative and that the staff had not endorsed the statements given.

The Chairman confirmed that Mr. Paranaguá's understanding was correct. He also pointed out that the staff had not overlooked the Article VIII implications which were mentioned in the opening sentence of the paper.

Mr. Waitzenegger said he realized that Cuba faced serious difficulties in the political, economic and social fields, and that in the past years it had incurred large balance of payments deficits as a consequence of a reduction in sugar exports, from which it earned about 85 per cent of its export receipts. There had also been an excessive domestic expansion, which did not appear to have been checked until now. He had not been impressed by the favorable results during the first six months of 1960, because Cuba's exchange position, as was well known, followed a seasonal pattern. In recent months, the Cuban Government had taken several restrictive measures on current payments, some of which undoubtedly involved discrimination. He agreed entirely with the views expressed by Mr. Southard and Mr. Guth with respect to the control system. Mr. Waitzenegger thought it was regrettable that discussions between the Fund and the Cuban authorities had not been held until the last part of June; furthermore, on the basis of the information before the Board, it was difficult to consider these talks as a full-scale consultation of Cuba's problems, including the question of need for the actions taken since last September. The Fund had no detailed information on the financial developments during 1959 and the first part of 1960; nothing was known about the budget position, the payments prospects, the real position of the exchange reserves, or the country's various external debts. Moreover, there was no information on the developments with respect to internal prices. In this connection, he pointed out that the cost of living index as reported in the most recent issue of *International Financial Statistics* was based on figures for the second quarter of 1958. On the basis of all these considerations, Mr. Waitzenegger said he was prepared to go along with the revised staff recommendation, with the hope that the Cuban authorities would reconsider their exchange system.

Mr. Tann observed that the present case put the Fund to a hard test because it was the first one involving an Article VIII country since the Board had taken the important policy decision on Articles VIII and XIV (EBM/60/27, Item 2, 6/1/60). Under the existing circumstances he thought the decision recommended by the Chairman was the only one which could be taken at this time, and he was therefore glad to add his support.

Mr. Toussaint remarked that, in view of the importance and character of the restrictive measures taken by Cuba, an Article VIII country, and of the absence of corrective action which might lead to the elimination of these practices in a reasonable period of time, it was appropriate for the Fund to refuse its approval. He understood that this was the sense of the draft decision which he was prepared to support in its amended form.

Lord Cromer noted that the previous speakers had covered the main points in the case and he would not repeat them, although he found himself in agreement. It was clear from the staff paper, which was incomplete for the reasons Mr. Paranaguá had

stated, that Cuba had imposed a range of controls which were in no way compatible with the obligations of an Article VIII country. It seemed clear that some measures were necessary to deal with the balance of payments situation but the type of restrictions which Cuba had introduced was not appropriate, and it would be impossible for the Fund to justify approval of them. Lord Cromer wished especially to endorse Mr. Guth's point that a close relationship between the Fund and a member involved a continuing process of contacts and exchange of information. He had no difficulty in supporting the revised recommendation and welcomed the fact that the Chairman had seen fit to introduce it.

Mr. Adarkar said that, in the light of what the previous speakers had said and despite the short time given the Board to consider the matter, he had no hesitation in supporting the revised recommendation. The recent developments in Cuba were very disturbing to most right-thinking people throughout the world. He believed that, in the light of the information presented in the staff paper and by Mr. Southard, it would be inappropriate for the Fund not to urge Cuba to review its present restrictive practices. He also fully agreed that in the case of Cuba there had not been the type of day-to-day consultation which the Fund had a right to expect of its members.

The discussion turned to the text of the revised recommendation submitted by the Chairman at the beginning of the meeting. Mr. Montealegre reiterated that the original text recommended by the staff had been acceptable to the Cuban authorities and he had not had time to consult them about the revised version. On the basis of his present instructions, therefore, he could not accept this new text, but he would be in a position to go along with the following rewording of the last sentence: "The Fund, while realizing that exceptional circumstances prevail in Cuba, nevertheless urges the adoption of measures which will lead to an early elimination of those practices which are contrary to the purposes of the Fund." Accordingly, he proposed Board consideration of such an amendment.

Mr. Southard said that, while he would not have drafted the decision in the same language put forward by the Chairman, he preferred the latter's text to the one suggested by Mr. Montealegre because he would find it difficult to accept the insertion of a statement by the Fund on the existence of exceptional circumstances in the case.

In stating his strong preference for retaining the revised text recommended by the Chairman, Mr. Guth said he would not like to see the Fund introduce the notion of "exceptional circumstances" in its consideration of members' exchange policies. He felt that, aside from this point, Mr. Montealegre's text did not differ in substance from the staff recommendation, and it was therefore to be hoped that Mr. Montealegre could go along with it.

Lord Cromer supported the position taken by Mr. Southard and Mr. Guth and noted that Mr. Montealegre's amendment by implication suggested that there were exceptional circumstances which would condone an Article VIII country in taking action contrary to its Fund obligations. Lord Cromer therefore preferred the revised text which had been submitted by the staff.

Mr. Mansour said that the staff report lacked information on many points. The different factors affecting the balance of payments prospects and the precise and detailed measures adopted since last September were inadequately expounded. He regretted that

the discussion had to take place on such short notice, not only with respect to the measures on which the Board's previously granted temporary approval expired on the date of the present meeting, but also with respect to certain new restrictions. He said, however, that excellent relations had always been maintained between Cuba, an Article VIII country, and the Fund, and that he noted with great satisfaction the statement made by Mr. Montealegre on behalf of the Cuban Government which expressed its appreciation of the Fund's cooperation and its desire to maintain friendly relations with the Fund. He was therefore anxious that every effort be made to keep the relations satisfactory and to encourage Cuba to cooperate with the Fund in future consultations. As the original draft resolution was referred to the Cuban authorities and they had already accepted it together with the staff appraisal of the situation, he thought the new version might be acceptable to them. In his view, the only difference was that the new version, which was formulated on the basis of the staff analysis and in the absence of adequate data, could not pass judgment on the need for the restrictions; the basic Board ruling on these measures remained substantially unchanged.

The Chairman pointed out that the Board frequently had changed the text of a proposed decision after the member concerned had indicated its acceptance of the staff's recommendation. The Board's freedom would be limited if its decisions were to be submitted to the country involved before final Fund action was taken.

Mr. Mansour said he had not intended to suggest any restriction of the Board's freedom, but he felt that some further consultation with the member in this case might be desirable because the delicate question of the Fund's relations with one of its members was involved. He understood in this connection that it was not the Fund's fault that the talks with the Cuban representative had occurred so close to the June 30 deadline.

The Chairman assured the Board that the staff had not been responsible for the delay in the consultations with Cuba.

Mr. Montealegre again stressed that the circumstances in the Cuban case were very exceptional, and he hoped the Board would keep this in mind. While the Cuban authorities had been willing to accept the original staff recommendation, he was not in a position to accept the revised recommendation even though it might be regarded as having the same substantive meaning. He had therefore suggested that the decision mention the special circumstances in the case which were clearly out of the ordinary for an Article VIII country or any other member country. He also understood that the staff had had these exceptional circumstances in mind when it made its original recommendation. In urging the Board to accept his amendment, Mr. Montealegre expressed the hope that it would avoid taking a decision which the Cuban authorities might feel was not in their interests. If his proposal was not accepted, he would be obliged to abstain from the decision.

The Director of the Exchange Restrictions Department pointed out that the concept of exceptional circumstances was not contained in the original staff recommendation nor in the revised text now before the Board.

In concluding the discussion, the Chairman noted that Mr. Montealegre's amendment had not been accepted and that the consensus was to adopt the revised staff recommendation.

With Mr. Montealegre abstaining, the decision was:

Cuba has consulted with the Fund with respect to its existing exchange practices. The Fund notes that Cuba maintains exchange practices constituting restrictions on current payments and transfers and multiple rates requiring Fund approval. The Fund believes that early elimination of these practices is needed and urges the adoption of measures which will lead to that result.

3. Use of the Fund's Resources - Iran

The Executive Board took up a request from Iran to purchase the equivalent of \$17.5 million in pounds sterling from the Fund (EBS/60/67, 6/28/60) and considered the staff's analysis and recommendation that the Fund agree to the request and grant the necessary waiver (*ibid.*, Sup. 1, 6/29/60).

Mr. Mansour made the following statement:

I wish to express my appreciation to the Executive Board for its willingness to consider this drawing on short notice. The drawing is for purposes fully consistent with the objectives of the Fund and the letter submitted by Bank Melli Iran to the Managing Director indicated that there is urgent need for financial assistance to meet current payments. Iran undertook to repay within six months, having in mind the quarterly oil payment which will fall due next month. Moreover, I wish to point out that the letter makes precise and solid proposals and is satisfactory in every way; it opens up consultation between the Fund and Iran.

Iran has clearly recognized that it needs to take further measures to deal with its present balance of payments problem and has actually asked for the Fund's co-operation in working out an adequate and comprehensive stabilization program. Moreover, Iranian authorities intend to avoid the use of exchange restrictions, relying instead on appropriate monetary and fiscal measures. The achievement of these objectives requires time during which Iran's exchange reserves will be under further pressure.

I may also add that from time to time the Board has had before it a case involving Fund assistance in support of a program designed to eliminate existing restrictive or multiple currency practices. Here we have the case of a member who, having got rid of them several years ago, wishes to avoid reverting to such practices. I consider that the Fund should fully support this effort and I therefore request the Board to grant the necessary waiver.

Mr. Southard observed that Mr. Mansour had stressed the points which deserved emphasis, particularly that the case was one of urgent need, that the proposed drawing would be within the first credit tranche, and that the member had offered to repurchase within six months. In addition, parts of the letter from the Governor of the Bank Melli Iran were very encouraging; there was not only a forthright recognition of the need for further measures to redress the payments position and to draw up a comprehensive stabilization plan, but a request for a Fund mission to assist in working out such a program. He had noted with approval that the management intended to comply with this

request. Like Mr. Mansour, Mr. Southard felt that the case readily fell within the criteria established for a drawing of the kind Iran was seeking, and he was therefore prepared to support the recommendation. While the Board had been asked to consider the case on very short notice, the fact that it was willing to take up the matter at this time showed that the Fund could act expeditiously with respect to the members' short-term needs when the requests met all the criteria. The management and staff also deserved commendation for the prompt way in which they had handled the matter.

Mr. Toussaint also wished to support the staff recommendation in view of Iran's good record in its relations with the Fund, the measures already taken to correct the balance of payments position, and the announced intention of the Iranian authorities to draw up an adequate stabilization program in cooperation with the Fund. He fully shared the view expressed by the staff that the consideration of a comprehensive stabilization program was to be regarded as an urgent matter. The decision of the Iranian authorities to request without delay the Fund's assistance in that connection was therefore particularly to be welcomed, and the proposal to send a staff mission to Iran in the near future had his full support.

Mr. Wältzenegger said he was satisfied with the letter from the Iranian authorities, and he was confident that the prompt sending of a mission to Iran would be a very useful step. There was no doubt that Iran urgently needed financial assistance, and he fully supported the request for a first credit tranche drawing to be repurchased within six months.

Mr. Adarkar said he also was prepared to support the request in the light of Mr. Mansour's succinct statement of Iran's need.

Lord Cromer, in adding his support, said he was greatly influenced by the fact that the Iranian Government had invited a Fund mission to assist in working out a stabilization plan and that the management intended to comply with the request. It was to be remembered that in the discussions of both the last Article XIV consultations with Iran (EBM/59/1, Item 4, 1/14/59 and EBM/59/46, Item 3, 11/14/59) and of its last drawing (EBM/60/21, Item 3, 5/13/60), it had been evident that vigorous action was required to restore equilibrium and on each occasion the Board had been told that measures were being taken to meet the critical situation which was developing. These measures had had some effect but it had not been sufficient. It was therefore to be hoped that assisted by the forthcoming staff mission the Iranian authorities would show the necessary resolution to carry out a thoroughgoing stabilization effort. It was therefore principally in view of Iran's willingness to undertake a stabilization program and welcome a Fund mission to assist in working it out, that Lord Cromer said he was prepared to support the staff's recommendation.

Soemarno said the need of Iran for the requested drawing in the first credit tranche, which fully merited the Board's support, had been already clearly substantiated by Mr. Mansour. The proposed drawing would undoubtedly help to create a proper financial atmosphere for the introduction of the stabilization program which the Government contemplated undertaking with the technical assistance of the Fund. This was evidence of the sincere efforts of the authorities to place the solution of the existing problem on a more enduring basis.

Mr. Guth thought that Mr. Mansour had clearly pointed out the positive factors which warranted the Fund's approval of Iran's request. Iran was urgently in need of interim financing while it worked out a comprehensive stabilization program, and he welcomed its willingness to have a Fund mission assist in drawing up such a plan. It was also noteworthy that the Iranian authorities continued to apply liberal trade and exchange policies. On the basis of these considerations, Mr. Guth had no hesitation in supporting the request. In retrospect Mr. Guth thought, however, that the Iranian case provided a lesson for some other Fund members. It was clear from the previous staff papers that the Iranian authorities had for some time recognized that real efforts were necessary to stabilize the economy and they had indeed taken several steps in this direction, but so far they had not been courageous enough to face up to strong measures and to go the full way to stabilization. Thus, it seemed that the last few years had been in a sense a waste of time and probably also of money, but fortunately this was now a matter of history.

Mr. Jayarajan said he was glad to add his support to Iran's request. The promptness with which the Fund had acted on the request was particularly noteworthy and would encourage other countries to realize that the Fund's assistance to its members was immediately available in a crisis.

In stating his support of Iran's request, Mr. Caranicas observed that, in spite of high receipts of foreign exchange from exports of oil during recent years, Iran had not been able to solve its problems. This was a case of particular interest to other countries in the process of economic development. It showed that for underdeveloped countries foreign exchange resources were not the only or even perhaps the main source of their difficulties. Technical skills and know-how, efficient administration, appropriate trade and monetary policies and economic stability were also necessary for orderly development and growth.

Mr. Asp was glad to support Iran's request and was pleased to note the willingness of the Iranian authorities to cooperate with the Fund in working out a comprehensive stabilization program.

Mr. Mansour thanked the Executive Directors for their support of the request and for their kind words about Iran. He hoped the coming Fund mission would be successful and bring about a realization of the hopes expressed. Judging from past experience and the mutual understanding and trust which Fund missions had always enjoyed in Iran, he was confident that the new mission would return with a program which would be of benefit to Iran as well as other Fund members. Finally, Mr. Mansour wished to add his personal thanks to the Chairman for the understanding and constructive help he had given the Iranian representatives who had recently visited the Fund.

The other Directors indicated no objection to the staff's recommendation.

The decision was:

In a letter dated June 28, 1960, the Government of Iran has submitted a request to purchase the equivalent of \$17.5 million in pounds sterling in accordance with the terms of Article V, Sections 3 and 4 of the Fund Agreement. The Government of

Iran has undertaken to make repurchase of an equivalent amount not later than six months after the date of the transaction. The Fund agrees to the member's request on these repurchase terms and grants the necessary waiver.

4. Fund Mission to the Congo

In the absence of a request by any Director for formal consideration in the time specified, the following decision was taken on June 29, 1960 and recorded (EBD/60/94, 6/28/60):

In response to a request from the Congolese Government for a Fund mission to discuss the Congo's possible acquisition of membership in the Fund and related subjects, and to attend the transfer of sovereignty ceremonies on June 30, 1960, the Executive Board approved the proposal set forth in EBD/60/94 (6/28/60).

5. Executive Board Travel

No objection having been expressed in the time specified to travel by an Executive Director as set forth in EBAP/60/67 (6/27/60), the Executive Board's approval is recorded.

APPROVED BY THE EXECUTIVE BOARD:

Meeting 60/42, September 16, 1960

PER JACOBSSON
Chairman

ROMAN L. HORNE
Secretary

