

DOCUMENT OF INTERNATIONAL MONETARY FUND AND NOT FOR PUBLIC USE

For Immediate Attention

EB/CGATT/61/8

August 29, 1961

To: Members of the Committee on Liaison with the
CONTRACTING PARTIES to the GATT

From: The Secretary

Subject: Fund-GATT Relations--Transmission of Article VIII Papers

The staff has submitted the attached memorandum and recommendations for the consideration of the Committee.

The Chairman feels that this matter can be dealt with without calling a meeting of the Committee.

If no member requests such a meeting by the close of business on Friday, September 1, 1961, the staff's recommendations will be deemed approved for submission to the Executive Board.

Att: (1)

Other Distribution:
Members of the Executive Board
Department Heads
Division Chiefs

August 24, 1961.

To: Chairman of the Committee on Liaison with the
CONTRACTING PARTIES to the GATT

From: Acting Director, Exchange Restrictions Department

Subject: Fund-GATT Relations--Transmission of Papers

Since October 30, 1956, the Fund has been transmitting to the CONTRACTING PARTIES and to the GATT secretariat papers related to Article XIV consultations with mutual members (EBD/56/102, Supplement 2). Under the arrangements set forth in EBD/56/102 and approved by the Executive Board at meeting 56/43, (1) the CONTRACTING PARTIES generally have been sent Part II of the consultations papers and the related Executive Board decisions in cases where they were holding consultations with the country in question, and (2) the secretariat has been sent for its confidential use Part I of all consultations papers relating to mutual members and Part II and the decisions in those cases where no GATT consultation was contemplated in the near future. The arrangements further provided that, where papers were transmitted for the confidential use of the secretariat, they might be otherwise restricted to the extent the Fund might request at any time. Such material was not to be quoted but might be studied by the secretariat as background material. Finally, the agreement to transmit any of the material referred to was made subject to the right of an Executive Director concerned to object to the sending of any particular document.

While EBD/56/102 refers to the transmission of the Fund's "consultations papers and the related Executive Board decisions," the arrangements have applied only with respect to consultations conducted under Article XIV of the Fund Agreement. The staff is of the opinion that this collaboration has been of value in carrying out the related activities of the Fund and the CONTRACTING PARTIES and recommends that it be extended to cover the transmission of papers on Article VIII consultations with mutual members. If this is agreed, Part II would be made available to the CONTRACTING PARTIES generally, for their information and use in the event that they were planning to hold balance of payments consultations with the countries involved. Part I would be provided in all cases only for the confidential use of the GATT secretariat, which would also be sent on the same basis as Part II of the papers where no GATT consultations were anticipated. The present restrictions would continue to apply with respect to the papers transmitted for the secretariat's use. In all cases the arrangements would be subject to the right of an Executive Director concerned to object to the transmission of any particular document.

In making this recommendation the staff notes the somewhat similar proposal regarding the transmission of reports on Article VIII consultations to the OEEC and OECD contained in EBD/61/103.