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EBS/92/218
Correction 1

CONFIDENTIAL

December 22, 1992

To: Members of the Executive Board

From: The Acting Secretary

Subject: Czech and Slovak Federal Republic - Cessation of Membership,
Allocation of Assets and Liabilities in the Fund, and Succession
to Membership in the Fund

The attached pages 7 and 8 (ATTACHMENT I) of EBS/92/218 (12/21/92)
were inadvertently omitted.

Att: (1)

Other Distribution:
Department Heads

December 4, 1992

Mr. Michel Camdessus
Managing Director
International Monetary Fund
Washington, D.C. 20431

Dear Mr. Camdessus:

We undersigned, are authorized by the Czech and Slovak Federal Republic, the Czech Republic, and the Slovak Republic to notify you that as a result of the resolutions of the Czech National Council and the National Council of the Slovak Republic, the Federal Assembly of CSFR enacted a Constitutional Amendment on November 25, 1992 concerning the dissolution of the Czech and Slovak Federal Republic. Thus CSFR will be dissolved as of December 31, 1992 and the successor states will be the Czech Republic and the Slovak Republic.

The constitutional framework for the dissolution of the Czech and Slovak Federal Republic also consists of the Constitutional Act of November 13, 1992 concerning the division of property of CSFR between the Czech Republic and the Slovak Republic that is based on the "territorial principle" or on the population ratio in each republic (that is 2 to 1). This law established all necessary legislative preconditions for succession and assumption of all rights and obligations originating from the membership in international institutions by both republics.

We are authorized by our governments to inform you that the governments of both successor states recognize the importance of the assistance provided by the International Monetary Fund and the World Bank Group institutions for our transformation and economic reform, and thus do hereby declare that it is the intention of both Republics to become the members of the International Monetary Fund and the institutions of the World Bank Group - International Bank for Reconstruction and Development, International Finance Corporation, International Development Association, Multilateral Investment Guarantee Agency, and the International Center for Settlement of Investment Disputes.

Therefore, we request that you consider this letter the legal and official request of the government of the Czech Republic and the government of the Slovak Republic to become the successors of CSFR in the International Monetary Fund and the institutions of the World Bank Group following the dissolution of CSFR. We assure you that the governments of both republics

are ready to discuss all questions regarding succession with the IMF and the institutions of the World Bank so that all obligations associated with CSFR as of December 31, 1992 can be assumed by the Czech Republic and the Slovak Republic on January 1, 1993.

Cordially,

Jan Klak
Minister of Finance of CSFR

Ivan Kocarnik
Deputy Prime Minister and
Minister of Finance of the
Czech Republic

Julius Toth
Minister of Finance of the
Slovak Republic