

**IMMEDIATE
ATTENTION**

EBD/92/226

September 25, 1992

To: Members of the Executive Board
From: The Secretary
Subject: Switzerland - Acceptance of Obligations of Article VIII,
Sections 2, 3, and 4

It is not proposed to bring the attached memorandum to the agenda of the Executive Board for discussion unless an Executive Director so requests by the close of business on Wednesday, September 30, 1992. In the absence of such a request, the draft decision will be deemed approved by the Executive Board and it will be so recorded in the minutes of the next meeting thereafter.

Mr. Flickenschild (ext. 36692) or Mr. Op de Beke (ext. 38576) is available to answer technical or factual questions relating to this paper.

Att: (1)

Other Distribution:
Department Heads

INTERNATIONAL MONETARY FUND

SWITZERLAND

Acceptance of Obligations of Article VIII,
Sections 2, 3 and 4

Prepared by the Policy Development and Review,
European I, and Legal Departments

Approved by Joaquín Ferrán, Massimo Russo,
and François Gianviti

September 24, 1992

In a letter dated May 20, 1992 (attached), Switzerland notified the Fund that it accepts the obligations of Article VIII, Sections 2, 3 and 4 of the Articles of Agreement. The acceptance takes effect from the date of the membership of Switzerland in the Fund. 1/

The exchange system of Switzerland was examined by the staff during the membership mission, and was described in the paper on calculation of quota (EB/CM/Switzerland/90/1, 8/10/90). During the membership mission, the staff ascertained that in Switzerland all payments and transfers for current international transactions may be made freely in any currency. Since then no restrictions have been introduced on such payments and transfers, except for restrictions against Yugoslavia (Serbia and Montenegro) in accordance with U.N. Resolution No. 757, which have been notified under Executive Board Decision No. 144-(52/51) (EBD/92/195, 9/1/92). Accordingly, the staff notes that apart from these restrictions approved under Decision No. 144, Switzerland maintains an exchange system that is free of restrictions on the making of payments and transfers for current international transactions.

The following draft decision is proposed for adoption by the Executive Board:

"The Fund notes with satisfaction that, with effect from May 29, 1992, Switzerland has accepted the obligations of Article VIII, Sections 2, 3 and 4 of the Articles of Agreement".

Attachment

1/ Switzerland became a member of the Fund on May 29, 1992.

DIRECTOR
FEDERAL DEPARTMENT
OF FINANCE

Sir:

I have the honor to notify you that the Swiss Confederation accepts the obligations of Article VIII, Sections 2, 3 and 4 of the Articles of Agreement of the International Monetary Fund.

Very truly yours,

/s/

O. Stich
Federal Councillor
Minister of Finance
of the Swiss Confederation

Berne, May 20, 1992

Mr. Michel Camdessus
Managing Director
International Monetary Fund

Washington, D.C., 20431