

EBS/86/8

CONFIDENTIAL

January 15, 1986

To: Members of the Executive Board

From: The Secretary

Subject: Communication from the Socialist People's Libyan Arab Jamahiriya

The Managing Director is hereby circulating to the Executive Board the following communication that he has received from the Governor for the Socialist People's Libyan Arab Jamahiriya:

You are no doubt aware of the U.S. Administration's Executive Order published on 8th instant blocking "all property and interest in property of the Government of Libya, its agencies, instrumentalities and controlled entities and the Central Bank of Libya that are in the United States, that hereafter come within the United States or that are or hereafter come within the possession or control of U.S. persons, including overseas branches of U.S. persons." This is obviously contrary not only to the spirit but also to the specific provisions of the Articles of the IMF Agreement and constitutes a flagrant breach of obligations under the Agreement by a major member. This action on the part of the United States is totally unjustified and unprovoked and seriously hinders and interferes with international trade and current transactions. We are vehemently raising this matter since the order in question will preclude fulfillment by us of our obligations in respect of current and other transactions. This is transmitted to you for any appropriate action.

Best regards

Regeb A. Misallati
Governor