The Australian Delegation submits the following proposal for amendment of Article 26 (in addition to those submitted in Document E/PC/T/215).

Addition of new sub-paragraph 3(f):

"(f) In the conduct of any consultations between a Member and the Organisation in terms of sub-paragraphs (a), (b) and (c) of this paragraph, strict precautions shall be taken to ensure the utmost secrecy. In particular, in relation to any such consultations:

(i) members of the Executive Board of the Organisation shall not divulge information relating to the discussions to any person other than another member of the Executive Board, a member of the staff of the Organisation, or a designated representative of the International Monetary Fund or of any other inter-governmental organisation which has been brought into the consultations;

(ii) satisfactory arrangements to ensure the secrecy of the consultations shall be made by the Organisation with the International Monetary Fund or with any other inter-governmental organisation which it is proposed to consult, before any such consultation takes place; and

(iii) the fact of consultation, the matters discussed, and any conclusions or recommendations arising from the consultations shall not be disclosed until the Member concerned consents to such disclosure, or alternatively until any action proposed to be taken by the Member has in fact been taken; provided that a Member shall not unreasonably withhold consent to such disclosure if the Organisation considers that disclosure is desirable."

Note: It is assumed that the staff regulations contemplated in Article 80(1) of the Charter would ensure that members of the staff of the Organisation preserved strict secrecy in relation to any confidential information coming into their possession in the course of their duties.
Paragraph 3 of Article 26 provides for consultation between an individual Member and the Organisation, the Monetary Fund and perhaps other inter-governmental organisations, in relation to the Member's prospective need to apply quantitative restrictions on imports to safeguard its balance of payments, and the possible alternative courses of action open to the Member.

If consultation of this kind is to be useful and effective, the Member must feel able to discuss the possible courses of action which he might take, and the considerations influencing his likely decision between them. In many cases it would clearly be impossible for him to do this if there were any risk of confidential information becoming public. The practical results of the premature disclosure of a Member's intention to apply quantitative restrictions, or to alter its exchange rate, could be sufficiently serious to make it impracticable for the Member to risk frank discussion, unless adequate secrecy were assured.

In these circumstances, it seems desirable that the Charter should stress the importance of adequate secrecy, and contain such provisions as are practicable to ensure it. It is suggested, therefore, that consideration should be given to provisions along the above lines.