Sub-Committee 3 on Administration

Relations between ITO and IMF

The International Monetary Fund, pursuant to Article X of its Articles of Agreement, and the International Trade Organization, pursuant to Articles 24 and 87 of the Havana Charter,

In view of the objectives set forth in Article 24, paragraph 1, of the Havana Charter,

Have agreed as follows:

ARTICLE I

General

The IMF shall co-operate with the ITO in the application of the various provisions of the Havana Charter in accordance with the terms thereof. The Fund and the ITO will pursue a coordinated policy with regard to exchange questions within the jurisdiction of the Fund and questions of quantitative restrictions and other trade measures within the jurisdiction of the ITO. In order to give effect to such coordinated policy the Fund and the ITO agree to co-operate in accordance with the arrangements set forth in the following Articles.

ARTICLE II

Consultation

1. Each organization shall, at the request of the other, consult on matters of common concern, and in particular, on the matters specifically referred to in the Havana Charter.
2. Either organization may initiate a consultation with
the other by giving notice thereof to the other organization and supplying the other organization either at that time or as soon thereafter as possible with all necessary information.

3. Unless otherwise provided for by the two organizations, the time and place of each consultation shall be agreed between the two organizations, and such consultation shall be held as promptly as possible in the light of whatever advance preparation may be required in view of the nature of the question. Where the matter involved is urgent, such as one arising under Article 21, paragraph 5 (a) of the Havana Charter, or a change in par value under a special exchange agreement, or any other equally urgent matter, the two organizations undertake to give high priority to the commencement and conclusion of the consultation. In the final stage of any consultation, the respective organizations shall each be represented by persons authorized to express the conclusions of the organizations they represent.

4. Whenever the situation under review calls for findings or determinations to be made by the Fund pursuant to Article 24, paragraph 2 of the Havana Charter, the Fund shall communicate such findings or determinations to the Organization in writing.

5. In pursuance of Article 24 of the Havana Charter, the Organization shall consult the Fund on the preparation and conclusion of a special exchange agreement between the Organization and a Member who is not a member of the Fund, and the Fund shall advise and consult with the Organization on all questions arising out of the operation of such an Agreement.
ARTICLE III

Annual Reports on discriminatory Quantitative Restrictions

The Fund shall assist and advise the ITO in the preparation by it of the reports referred to in the first sentence of paragraph 1 (g) of Article 23 of the Havana Charter. So far as possible these reports shall be coordinated with the reports required under Article XIV, Section 4, of the Articles of Agreement of the Fund.

ARTICLE IV

Customs Valuation

In accordance with Article 35 of the Havana Charter, the Fund and the ITO will formulate rules governing the conversion by members of currencies of countries which maintain multiple rates of exchange consistently with the Articles of Agreement of the Fund or with special exchange agreements, when such conversion is necessary to determine the value of products subject to customs duties or other charges. Such rules shall be subject to revision by agreement between the two organizations.

ARTICLE V

Reciprocal Representation and Liaison

1. Representatives of the Fund may attend, and participate without vote in, meetings of the Conference of the ITO.
2. Representatives of the ITO may attend, and participate without vote in, meetings of the Board of Governors of the Fund.
3. Appropriate arrangements shall be made by agreement from time to time for the reciprocal representation of the two organizations at other meetings convened under their
suspices which consider matters in which the other
organization has an interest.

4. The ITO and the Fund shall make administrative
arrangements to achieve close collaboration and liaison
between the staffs of the two organizations. Each
organization will establish administrative machinery as may
be necessary to make the liaison, as provided for in this
agreement, effective.

ARTICLE VI

Formal Recommendations

Each organization undertakes not to present any formal
recommendation to the other, particularly under Article 77,
paragraph 5, or Article 81, paragraph 2, of the Charter,
without reasonable prior consultation with regard thereto,
unless the recommendation is made in response to a request
from the organization to which it is directed.

ARTICLE VII

Exchange of Information and Statistical Services

1. The ITO and the Fund will, to the fullest extent
practicable, arrange for the current exchange of information
and publications of mutual interest, and the furnishing of
special reports and studies upon request, subject to the
necessary limitations of safeguarding confidential material;
provided, however, that any such limitation shall not be
such as to frustrate or impair the effective discharge of
the functions of the Fund in accordance with Article 24 of
the Charter and this Agreement.

2. In the interests of efficiency and for the purpose of
reducing the burden on national governments and other
organizations, the ITO and the Fund agree to co-operate in
eliminating unnecessary duplication in the collection,
analysis, publication and dissemination of statistical information.

ARTICLE VIII

Miscellaneous

1. Any arrangements made for giving effect to the provisions of this Agreement relating to consultation and exchange of information shall pay due regard to the need to safeguard confidential information and to the special obligations in this respect of the ITO under the Havana Charter.

2. The chief administrative officers of the Fund and ITO shall make such supplementary arrangements as are necessary or proper to carry fully into effect the provisions of this Agreement.

3. This Agreement shall be subject to revision by agreement between ITO and the Fund from the date of its entry into force.

4. This Agreement may be terminated by either party thereunto on six months' written notice to the other party, and thereupon, unless otherwise agreed, all rights and obligations of both parties hereunder shall cease.

5. This Agreement shall come into force when it shall have been approved by the competent authorities of the ITO and Fund.

Addendum

Insert the following additional paragraph 6 at the end of Article II:

"For purposes of consultation, the ITO and the Fund may establish Joint Committees consisting of persons designated by each organization, the number to be designated by each being decided by agreement between the organizations."