

No. 7770

**UNITED KINGDOM OF GREAT BRITAIN
AND NORTHERN IRELAND
and
DEMOCRATIC REPUBLIC OF THE CONGO**

Exchange of notes (with annex) constituting an agreement concerning a loan by the Government of the United Kingdom to the Government of the Republic of the Congo. Leopoldville, 3 January 1964

Official text: French.

Registered by the United Kingdom of Great Britain and Northern Ireland on 12 May 1965.

**ROYAUME-UNI DE GRANDE-BRETAGNE
ET D'IRLANDE DU NORD
et
RÉPUBLIQUE DÉMOCRATIQUE DU CONGO**

Échange de notes (avec annexe) constituant un accord relatif à un prêt du Gouvernement du Royaume-Uni au Gouvernement de la République du Congo. Léopoldville, 3 janvier 1964

Texte officiel français.

Enregistré par le Royaume-Uni de Grande-Bretagne et d'Irlande du Nord le 12 mai 1965.

[TRANSLATION¹ — TRADUCTION²]

No. 7770. EXCHANGE OF NOTES BETWEEN THE GOVERNMENT OF THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND AND THE GOVERNMENT OF THE REPUBLIC OF THE CONGO CONSTITUTING AN AGREEMENT³ CONCERNING A LOAN BY THE GOVERNMENT OF THE UNITED KINGDOM TO THE GOVERNMENT OF THE REPUBLIC OF THE CONGO. LEOPOLDVILLE, 3 JANUARY 1964

I

*Her Majesty's Ambassador at Leopoldville
to the Prime Minister of the Republic of the Congo*

Leopoldville, January 3, 1964

Excellency,

I have the honour to refer to the decision of Her Majesty's Government to grant sterling equivalent of \$2 million (£714,286) as assistance to the Republic of the Congo. The Government of the Republic of the Congo having accepted this aid, I now have the honour, in accordance with instructions received from Her Majesty's Principal Secretary of State for Foreign Affairs, to make the following proposals concerning this import programme :

(a) The Government of the United Kingdom confirms its offer to provide sterling for purchase of essential goods from the United Kingdom within the framework of the import programme of the Republic of the Congo to a total value of £714,286, this sum to include the transportation and insurance costs up to their point of entry into the Congo.

(b) Since the aid is insufficient to cover all potential demands for British imports, it is the desire of the two Governments that it should be devoted to those sections of the Congolese economy where it will produce the most beneficial results. It is therefore agreed by the two Governments that this aid should be devoted exclusively to :

- (i) the purchase of British-made tyres and spare parts for tractors and commercial vehicles manufactured in the United Kingdom up to a total amount of 60% of £714,286;

¹ Translation by the Government of the United Kingdom of Great Britain and Northern Ireland.

² Traduction du Gouvernement du Royaume-Uni de Grande-Bretagne et d'Irlande du Nord.

³ Came into force on 3 January 1964 by the exchange of the said notes.

- (ii) the purchase of British-made spare parts and replacement machinery required for British machines installed in the Congo and which are used in processing agricultural products and threads, up to a maximum of 40% of the £714,286.

Import licence quotas should be allocated only to plantation companies or distributors in the Congo holding brand agency contracts with British suppliers of the above mentioned items and to ensure that only these items are imported under this aid programme, it is suggested that import licences be endorsed by the Ministry of National Economy to the effect that they are valid only for the importation of these items. In this way it will be assured that at least 90% of the imports under this programme will be used for tractors, trucks and agricultural machinery in the interior and it is thereby in accordance with the Congolese Government's wish to devote at least 70% of all imports to companies established in the interior of the Congo.

(c) Imports of goods under this programme will be effected through normal commercial channels in accordance with procedure agreed with the Ministry of National Economy, and set out in Annex A to this Note. The Government of the United Kingdom undertakes to make arrangements to pay at the presentation of all drawings which are made in accordance with the terms of documentary credits in respect of goods whose arrival in the Congo will in due course be certified in accordance with the procedure agreed between the two Governments.

(d) A special account to be held by the Monetary Council will be set up for the counterpart francs which will accrue by virtue of this programme and the eventual disposal of these counterpart funds will be made after consultations between the representatives of our two Governments in consultation with the United Nations Mission to the Congo.

(e) The system set out in this Note and annexed thereto is subject to review in the light of experience, and may be amended by mutual agreement at the request of either Government.

(f) The operative date for the placing of orders under this agreement shall be the 29th of November, i.e., the day on which I notified Your Excellency of the decision of the Government of the United Kingdom to make this aid available.

2. If the Government of the Republic of the Congo agrees to these proposals, I have the honour to suggest that the present Note, together with its Annex, and your reply in that sense, shall be regarded as constituting an Agreement between our two Governments.

I avail myself of this opportunity to renew to Your Excellency the assurance of my highest consideration.

E. M. ROSE

ANNEX

The Government of the United Kingdom undertakes to make available to the Government of the Republic of the Congo up to £714,286 to cover imports of goods made in the United Kingdom. The goods will be paid for in the United Kingdom by Her Majesty's Government, and their arrival in the Congo will be duly certified and verified according to procedures to be agreed between the two Governments. The sum of £714,286 to be made available by the Government of the United Kingdom will include the costs of transporting and insuring the goods to the point of their entry into the Congo. The Government of the United Kingdom will make sterling available by arrangements with a British bank or banks in London which will pay exporters presenting documents drawn up in conformity with bankers' documentary credits, established by virtue of valid import licences into the Congo, endorsed by the Ministry of National Economy after prior consultation with Her Majesty's Embassy in Leopoldville.

2. Companies which import the British-made products described in this agreement and which are registered with the Ministry of National Economy will be asked to submit a request for an import quota under this aid programme. They should stipulate the quantity and quality of the goods which they wish to import under the programme, based on their spare parts requirements for a period of six months. These preliminary requests will be examined by the Ministry of National Economy in consultation with the British Embassy. After they have been approved by the Bureau of Economic Coordination the Ministry of National Economy will send to importers whose applications have been accepted, a letter of quota (with a copy to the British Embassy) for the amount allotted to the applicant. The importer takes his letter of quota to his banker and fills out a licence form, which his banker then transmits to the Monetary Council, three copies of which after validation will be sent to the British Embassy. On receipt of the validated licence, the importer's banker may open a documentary credit against which the importer must deposit 100% cash covering with his banker. The banker will remit the cash cover to the Monetary Council to be held in a special account.

3. Licences issued under this agreement will have a maximum validity of 120 days from the date of validation and will only be prolonged by the authority of the Monetary Council under exceptional circumstances. Import licences must include allowance for the costs of a Certificate of Control : all other charges will be excluded.

4. The rate of exchange to be applied will be the official rate ruling on the date on which the relative shipping documents are received by the bank in the Congo opening the documentary credit.

5. Authorised Congolese banks will then pass the documentary credits through their London correspondents, asking them to have the credits advised and confirmed by the British bank or banks nominated by Her Majesty's Government. This bank or banks will pay all documents presented in conformity with the terms of the credits, which will require the following documents :

(a) commercial invoices conforming with the pro forma invoices already deposited.

- (b) a sterling all-risks insurance policy.
- (c) a complete set of through shipped on board bills of lading showing freight and transport costs paid to the Congo. The through bill of lading will be drawn up in the name of the bank establishing the credit.
- (d) The Certificate of exporter that the goods are of United Kingdom manufacture.
- (e) any other documentation required by the importer or the Ministry of National Economy.

II

*The Prime Minister of the Republic of the Congo
to Her Majesty's Ambassador at Leopoldville*

Leopoldville, January 3, 1964

Your Excellency,

I have the honour to acknowledge the receipt of Your Excellency's letter of the 3rd of January, 1964, worded as follows :

[See note I]

In reply, I have the honour to inform Your Excellency that the foregoing proposals are acceptable to the Government of the Republic of the Congo, who therefore agree that Your Excellency's letter, together with its Annex and the present reply, shall constitute an Agreement between the two Governments.

Please accept, Excellency, the assurance of our sincere gratitude for the generous aid that Her Britannic Majesty's Government grants us at this time and I ask you to accept the assurance of my highest consideration.

C. ADOULA