

**No. 10638**

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**FRANCE  
and  
CAMEROON**

**Agreement on co-operation in economic, monetary and financial matters. Signed at Yaoundé on 13 November 1960**

*Authentic text: French.*

*Registered by France on 5 August 1970.*

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**FRANCE  
et  
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**Accord de coopération en matière économique, monétaire et financière. Signé à Yaoundé le 13 novembre 1960**

*Texte authentique : français.*

*Enregistré par la France le 5 août 1970.*

[TRANSLATION — TRADUCTION]

## AGREEMENT<sup>1</sup> ON CO-OPERATION IN ECONOMIC, MONETARY AND FINANCIAL MATTERS

The President of the French Republic and

The President of the Republic of Cameroon,

Mindful of the desire expressed by both Parties to maintain their relations in a spirit of mutual understanding, reciprocal trust and co-operation, particularly in economic and financial matters,

Have decided to conclude this Agreement.

They have for that purpose appointed as their plenipotentiaries:

The President of the French Republic:

Mr. Maurice Couve de Murville, Minister for Foreign Affairs;

The President of the Republic of Cameroon:

Mr. Charles-René Okala, Minister for Foreign Affairs,

Who, having exchanged their full powers, found in good and due form, have agreed on the following provisions:

### PRELIMINARY TITLE

#### *Article 1*

The Republic of Cameroon declares that it wishes to continue its development in close association with the French Republic and other countries in the franc area, while at the same time taking advantage of opportunities for trade offered to it in other countries of the world.

#### *Article 2*

The contractual association between the Republic of Cameroon and the French Republic within the franc area shall be based on two fundamental principles:

Each independent State shall retain all the economic and financial powers recognized as belonging to sovereign States.

<sup>1</sup> Came into force on 27 January 1961 by the exchange of the instruments of ratification, which took place at Paris, in accordance with article 43.

Member States shall agree to co-ordinate their external trade and financial policies in joint bodies so as to assist each other and to promote the most rapid possible economic development of each of them.

### *Article 3*

The French Republic shall continue to provide the Republic of Cameroon with the material and technical assistance it requires to attain the economic and social objectives which it has set for itself.

### *Article 4*

This Agreement has been freely discussed and concluded with the intention of establishing close co-operation between the French Republic and the Republic of Cameroon, taking into account their different structures and the disparity in their level of development, in order to enable them to stabilize relations between them and to make those relations more beneficial to both Parties.

## TITLE I

### THE FRANCO-CAMEROONIAN COMMISSION

### *Article 5*

A Franco-Cameroonian Commission, of equal membership, shall be established to supervise the implementation of this Agreement, with the exception of the provisions in Title II. It shall, where necessary, take cognizance of all questions concerning co-operation between the French Republic and the Republic of Cameroon in monetary, economic and financial matters, without prejudice to the competence of other specialized bodies.

### *Article 6*

The Franco-Cameroonian Commission shall meet once a quarter, as a general rule. In the intervals between such meetings, it may be convened at the request of either Party.

### *Article 7*

The powers of the Franco-Cameroonian Commission shall be advisory, except in the cases specified in this Agreement.

### *Article 8*

The Franco-Cameroonian Commission shall establish the conditions governing the organization and preparation of its meetings.

## TITLE II

## FRENCH AID TO CAMEROON

*Article 9*

The French Republic shall support the efforts of the Republic of Cameroon to achieve economic and social development.

*Article 10*

Aid from the French Republic to the Republic of Cameroon shall consist, *inter alia*, in the carrying out of studies, the supply of equipment, the secondment of experts and technicians, the granting of financial support and the training of Cameroonian professional staff.

*Article 11*

The arrangements for the aid thus granted and the volume of such aid shall be the subject of protocols negotiated between the two Parties.

## TITLE III

## TRADE

*Article 12*

The Republic of Cameroon shall have the sovereign right to determine its external trade and financial policies. In particular, it shall have the right to negotiate and sign agreements or trade treaties, customs conventions and financial agreements with all countries, whether or not they are members of the franc area, and with all international bodies. Under the same conditions, the Republic of Cameroon shall freely determine its quota and tariff policy.

*Article 13*

The Republic of Cameroon, in applying the provisions of the preceding article, and the French Republic agree to maintain their trade relations within the framework of a reciprocal preferential system which, where necessary, shall be determined by special agreements.

The purpose of this preferential system shall be to provide both Parties with privileged outlets; it shall consist of a balanced series of mutual advantages in such areas as trade and tariffs as well as marketing organizations.

*Article 14*

The Republic of Cameroon and the French Republic agree to co-ordinate their trade policies with respect to third parties. They shall consult together within the framework of the Franco-Cameroonian Commission regarding their import plans. They also agree to consult together, within the framework of this Commission or of any other body grouping several or all of the members of the franc area, whenever either Party is preparing to negotiate trade and financial agreements, conventions or treaties, or payments agreements, the contents of which are of substantial interest to the partners.

*Article 15*

The two Governments shall keep each other informed of all measures they propose to take which might alter customs regulations, in order to enable the general Cameroonian customs regulations to be brought into line with those of other countries in the franc area.

*Article 16*

Goods originating in and exported from the Republic of Cameroon entering French customs territory and goods originating in and exported from France entering Cameroonian customs territory shall enter freely and exempt from customs duty. Subject to the laws and regulations relating mainly to health and public security and the rules, determined by agreement, relating to marketing organizations, such goods shall not be subject to any prohibition, restriction or discrimination. Cameroonian goods shall be subject only to the revenue duties applicable in France, irrespective of the origin of the goods. The taxes, but not the customs duties, introduced under the system of taxation in force at the time of the entry of the goods into Cameroon shall be applicable to French goods.

In order to protect its new industries, Cameroon may introduce customs duties on goods originating in and exported from France, subject to any obligations which might be applicable in pursuance of article 133 of the Treaty of Rome.<sup>1</sup>

*Article 17*

Cameroon shall take advantage of the marketing organizations and financial aid existing within the franc area in connexion with primary commodities. It shall be a member of all bodies established in connexion with tropical products.

<sup>1</sup> United Nations, *Treaty Series*, vol. 298, p. 3.

The Cameroonian Government shall be consulted in advance regarding any change in marketing organizations or the establishment of new organizations. In return, it agrees to respect the rules and general guidelines regarding such organizations drawn up for the whole franc area, subject to any adjustments deemed necessary and accepted by agreement within the Franco-Cameroonian Commission.

#### Article 18

All receipts and expenditures of Cameroon involving countries outside the franc area shall take the form of the sale or purchase of foreign exchange on the central currency market of the franc area.

#### Article 19

A dollars account entitled "Cameroon-drawing rights" shall be opened with the exchange stabilization fund.

This account shall be credited with the equivalent of any foreign currency receipts and gifts and loans in foreign currency which the Republic of Cameroon obtains from third countries or international bodies. To the extent that money is available, the account shall be debited with the equivalent of settlements in currency corresponding, *inter alia*, to Cameroonian imports of foreign goods and the repayment of foreign loans. Consultations shall be held within the Franco-Cameroonian Commission as to which other transactions may be charged to it.

#### Article 20

The account "Cameroon-drawing rights" may, if necessary, be granted supplementary drawing rights on the general reserves of the franc area. The granting of supplementary drawing rights shall be determined for each category of currency as a whole. The amount shall be fixed by the Franco-Cameroonian Commission in the light of the requirements and possibilities, not only of the Republic of Cameroon and the French Republic, but also of all members of the franc area.

#### Article 21

The Republic of Cameroon shall be free to dispose of the foreign currency credited to its account, and within the limits of the amount so credited it shall grant import licences. In applying this principle, the Republic of Cameroon reserves the right to adjust the foreign trade system according to local requirements. In that event consultations shall be held within the Franco-Cameroonian Commission.

*Article 22*

Subject to any adjustments which are deemed necessary to meet local requirements and which are decided upon in the Franco-Cameroonian Commission, the Republic of Cameroon agrees to apply within its territory the exchange regulations of the franc area. The French and Cameroonian authorities shall co-operate in seeking out and taking action against violations of the exchange regulations.

*Article 23*

Exchange control and trade and economic policy in Cameroon shall be co-ordinated through collaboration between the Republic of Cameroon and the central authorities of the franc area under the conditions specified in the following paragraph.

By decision of the central monetary authorities of the franc area, the Cameroonian Foreign Exchange Office shall be placed under the administrative authority of the Republic of Cameroon. The Director of the Cameroonian Foreign Exchange Office shall be appointed by the Government of the Republic of Cameroon. He shall be assisted by a technical adviser appointed by the central authorities of the franc area. The technical adviser shall have cognizance of all transactions submitted to the Foreign Exchange Office. Any disagreement between the Director and the technical adviser shall result in the suspension of transactions and shall be referred for decision to the Minister of Finance of the Republic of Cameroon, who may refer the matter to the Franco-Cameroonian Commission.

*Article 24*

The Republic of Cameroon intends to ratify its association with the European Economic Community without prejudice to the adjustments necessitated by its accession to independence. The French Republic shall inform the other powers, signatories of the Treaty of Rome, of this ratification. It shall also, with the help of the Republic of Cameroon, undertake all necessary negotiations in connexion with the adjustments mentioned at the beginning of this paragraph.

As a transitional measure and until these arrangements enter into force, the French Republic shall represent Cameroon in the European Economic Community. The French Government shall associate the Cameroonian Government in the prior consideration of decisions under the Treaty of Rome with respect to the countries and territories covered by article 131.

## TITLE IV

## CURRENCY

*Article 25*

The status of independent and sovereign State acquired by Cameroon confers on it the right to introduce a national currency and to establish its own bank of issue.

*Article 26*

Until the creation of a Cameroonian monetary unit, the currency which shall be legal tender throughout the territory of Cameroon shall be the franc CFA, issued by the Banque centrale des Etats de l'Afrique équatoriale et du Cameroun.

*Article 27*

There shall be unrestricted convertibility between the currency issued by the Banque centrale des Etats de l'Afrique équatoriale et du Cameroun and the French franc.

There shall be free transfer of funds between France and Cameroon and vice versa.

*Article 28*

The transactions of the Banque centrale in Cameroon shall continue to be entered separately.

In co-operation with the Republic of Cameroon, the Banque centrale shall seek ways and means of establishing a statistical evaluation of the balance of payments between the Republic of Cameroon and the other States in the issuing zone, and between the Republic of Cameroon and the French Republic. It shall communicate the results of this evaluation regularly to the public authorities.

*Article 29*

A committee consisting of representatives of the French Republic and the Republic of Cameroon on the executive board of the above-mentioned Bank shall meet at the request of at least half of its members.

It shall carry out in Cameroon the functions delegated to it by the Executive Board of the Bank, with regard to such matters as determining the face value and form of monetary tokens, discount, credit and loan operations and securities transactions.



Independently of the powers granted to the auditors, the Committee shall be entitled at any time to be informed of the cash position and to see the books of account and the portfolio.

#### *Article 30*

The managers in Cameroon of branches of the Banque centrale des Etats de l'Afrique équatoriale et du Cameroun shall be appointed by the Bank, following agreement with the Cameroonian Government.

#### *Article 31*

Changes in the parity between the monetary unit used in Cameroon and the French franc shall be made only after agreement between both Parties.

The Government of the French Republic shall, as far as possible, consult with the Government of the Republic of Cameroon before any change is made in the rate of exchange between the French franc and foreign currencies.

#### *Article 32*

With effect from the date of the signing of this Agreement, any amendment to the statutes of the Banque centrale des Etats de l'Afrique équatoriale et du Cameroun shall be the result of an agreement between the Government of the Cameroonian Republic and the other competent authorities.

#### *Article 33*

The Republic of Cameroon and the French Republic recognize that each has the right to terminate the monetary system described in articles 25 to 30 of this Agreement, in so far as it concerns them, if the system seems to either Party to have become contrary to its own legitimate interests.

In that case, both Parties agree that they will enter into negotiations within the Franco-Cameroonian Commission in order to establish, on the one hand, the period of time which should elapse before the reform takes effect and, on the other hand, the procedures for such reform in so far as they concern the two Parties, including the rate of exchange between the new currency and the French franc, in relation to which it shall be valued, and the other monetary units of the franc area, and the relations between the new bank of issue and the other monetary bodies in the area.

#### *Article 34*

In such an event, or if the Cameroonian Government exercises its right under article 25 above, the French Republic undertakes to provide the

Government of Cameroon with any assistance it requests in so far as this is possible.

### *Article 35*

The Republic of Cameroon may establish a National Credit Council to organize the banking profession and credit policy in Cameroon, under conditions compatible with the maintenance of the monetary union of the States of Equatorial Africa and Cameroon and in the light of any recommendations or general guidelines from the central monetary authorities of the franc area.

The conditions governing Cameroon's association with the Central Credit Council shall be established by a special agreement bringing the general principles of credit regulations and banking organization into line. This agreement shall specify the relationship between the Cameroonian Credit Council and the Central Credit Council.

The conditions governing Cameroon's association with the Bank Control Commission and the manner in which the latter shall exercise its jurisdiction in Cameroon shall be established by a special agreement.

### *Article 36*

The Banque centrale des Etats de l'Afrique équatoriale et du Cameroun shall transmit to the National Credit Council on a regular basis the statistical data which will enable it to assess the development in the territory of the Republic of Cameroon of

- bank deposits and how they are used,
- rediscount facilities granted to banks,
- banking risks recorded and classified according to the category of economic activity,
- transfers of funds abroad effected through the Banque centrale.

### *Article 37*

The recommendations and decisions of the National Credit Council shall be transmitted to banks and credit institutions which shall alone be competent to estimate the purely financial risks involved.

On behalf of the Government of the Republic of Cameroon, the Banque centrale may inquire into how these recommendations and decisions are applied. It shall report to the National Credit Council.

## TITLE V

## PARTICIPATION IN JOINT BODIES

*Article 38*

At the highest level, the French Republic and the Republic of Cameroon shall consult together on questions relating to monetary, economic and financial policy and on development problems. Such consultation shall, where necessary, extend to all other States in the franc area.

*Article 39*

Cameroon shall be represented on such bodies as:

- the Monetary Committee of the franc area,
- the Committee for Foreign Investments, when that Committee is dealing with matters concerning Cameroon,
- the Committee for Economic and Financial Affairs,
- the Commission on Trade Agreements,
- when necessary, any other multilateral group with competence in economic and financial matters and the Central Credit Council,
- the Bank Control Commission under the conditions set forth in article 35 above.

The procedures for applying this article shall be determined by the Franco-Cameroonian Commission.

## TITLE VI

## MISCELLANEOUS PROVISIONS

*Article 40*

The Republic of Cameroon reserves the right to establish a National Development Bank, the function of which shall be to finance economic and social investment, both public and private.

The French Republic undertakes to assist the Republic of Cameroon in setting up this national development bank.

In establishing the national development bank, the Republic of Cameroon shall, in agreement with the Caisse centrale de coopération économique,

determine the procedures for changing the statutes of the State company, known as "Crédit du Cameroun", which the new institution shall replace.

*Article 41*

Relations between the French Treasury and the Cameroonian Treasury shall be governed by a special agreement.

*Article 42*

Any problems relating to State property which might arise between the two Governments shall be settled by special agreement.

*Article 43*

This Agreement shall enter into force on the date of the exchange of the instruments of ratification, which shall take place in Paris as soon as possible.

DONE at Yaoundé on 13 November 1960 in duplicate.

[CHARLES-RENÉ OKALA]

[MAURICE COUVE DE MURVILLE]