

No. 11147

**FRANCE
and
UPPER VOLTA**

Agreement on co-operation in economic, monetary and financial matters. Signed at Paris on 24 April 1961

Authentic text: French.

Registered by France on 11 June 1971.

**FRANCE
et
HAUTE-VOLTA**

Accord de coopération en matière économique, monétaire et financière. Signé à Paris le 24 avril 1961

Texte authentique: français.

Enregistré par la France le 11 juin 1971.

[TRANSLATION — TRADUCTION]

AGREEMENT¹ ON CO-OPERATION IN ECONOMIC,
MONETARY AND FINANCIAL MATTERS BETWEEN
THE FRENCH REPUBLIC AND THE REPUBLIC OF THE
UPPER VOLTA

The Government of the French Republic, on the one hand, and

The Government of the Republic of the Upper Volta, on the other hand,

Resolved to maintain their relations in a spirit of mutual understanding,
reciprocal trust and co-operation, particularly in economic, monetary and
financial matters,

Have agreed on the following provisions:

PRELIMINARY TITLE

Article 1

The Republic of the Upper Volta declares that it wishes to continue its
development in close association with the French Republic and the other
countries of 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 the Upper Volta
and the French Republic shall be based on two fundamental principles:

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

The parties shall agree to co-ordinate their external trade, monetary and
financial policies as between themselves and with the other States of the franc
area, so as to assist each other and to promote the most rapid possible
economic development of each of them.

¹ Came into force on 30 August 1961, the date of entry into force of the Treaty on co-operation,
signed on the same day (see p. 171 of this volume), in accordance with article 39.

Article 3

The French Republic shall continue to provide the Republic of the Upper Volta with the material and technical assistance it requires to attain the economic and social objectives that 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 the Upper Volta, taking into account their different structures and the disparity in their level of development, in order to enable them to stabilize their relations and to make them more beneficial to both parties.

TITLE I

THE FRANCO-UPPER VOLTA COMMISSION

Article 5

A Franco-Upper Volta Commission, of equal membership, shall be established to supervise the implementation of this Agreement, with the exception of the provisions of title II.

Article 6

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

TITLE II

AID TO BE PROVIDED BY THE FRENCH REPUBLIC
TO THE REPUBLIC OF THE UPPER VOLTA*Article 8*

In accordance with the wish expressed by the Republic of the Upper Volta, the French Republic shall, for a period of five years, which shall be renewable, continue to provide aid and assistance to the Republic of the Upper Volta to further the latter's economic and social development and to facilitate the operation of its public services.

Aid shall be provided by the French Republic on an annual basis and shall consist, *inter alia*, in the carrying out of studies and research, the supply of equipment, the secondment of experts and technicians, the granting of financial support and the training of professional staff.

The arrangements for providing this aid shall be established in such a manner as to permit the implementation of operations or series of operations that may be included in the programmes drawn up by the Republic of the Upper Volta.

The fact of receiving aid from the French Republic shall not debar the Republic of the Upper Volta from receiving aid from other States or from international bodies.

Article 9

The portion of the financial assistance for economic and social development allocated for studies, the procurement of equipment or supplies and the execution of works shall be the subject of contracts to be reserved, as a general rule, for enterprises of French or Upper Volta nationality.

TITLE III

TRADE

Article 10

The Republic of the Upper Volta shall have the sovereign right to determine its external trade and financial policies. In particular, it shall have

the right to negotiate and sign trade agreements or 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 the Upper Volta shall freely determine its quota and tariff policy.

Article 11

The Republic of the Upper Volta and the French Republic agree to maintain, for a period of five years, which shall be renewable, their trade relations within the framework of a reciprocal preferential system based on the following principles:

- Freedom of movement and exemption from customs duty, subject to the laws and regulations relating to public health, security and morality and to respect for fiscal monopolies and marketing organizations;
- Privileged outlets agreed to by both Parties for their principal products and goods in the form, *inter alia*, of quotas and guaranteed prices;
- Co-ordination of trade policies towards third countries;
- Protection of Upper Volta industries.

The quantities and prices of products which are imported into the territories of the French Republic and the Republic of the Upper Volta and which fall within the scope of marketing organizations shall be determined annually, sufficiently early to permit the preparation of budget estimates and marketing plans.

Article 12

The régime existing on 1 January 1961 shall be maintained pending the entry into force of a protocol providing for the implementation of the provisions of article 11 above.

Article 13

The Republic of the Upper Volta intends to maintain its association with the European Economic Community, in a form to be determined in conjunction with the competent authorities of the Community, and shall make arrangements to be directly represented before those authorities.

Pending such arrangements, the Republic of the Upper Volta shall continue to be represented by the representative of France to the Community, in accordance with such directives as he may receive from the Government of the Republic of the Upper Volta.

Article 14

All receipts and expenditures of the Republic of the Upper Volta 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 15

A dollar account entitled "Upper Volta—drawing rights" shall be opened with the exchange stabilization fund of the franc area.

This account shall be credited with, *inter alia*, the equivalent of settlements in foreign currency corresponding to exports, and with grants and loans in foreign currency which the Republic of the Upper Volta obtains from countries outside the franc area or from international bodies. It may, if necessary, be fed by the allocation of supplementary drawing rights on the general reserves of the franc area in an amount to be determined by the Commission of equal membership referred to in article 5.

This account shall be debited with, *inter alia*, the equivalent of settlements in foreign currency corresponding to imports from countries outside the franc area, payments and contributions to international bodies and repayments of loans granted by such countries or bodies.

Article 16

The Republic of the Upper Volta shall apply within its territory the general regulations governing foreign exchange in the franc area.

It may make such adjustments to the regulations as are required by local conditions, subject to their referral to the Commission of equal membership if they substantially affect the other States of the franc area. It shall notify the said States of all such adjustments.

The competent authorities of the French Republic and the Republic of the Upper Volta shall co-operate in seeking out and taking action against violations of the said regulations.

Article 17

The organ which is responsible in the Upper Volta for exchange control and administration shall maintain contact with the central foreign exchange organs of the franc area for the purpose of maintaining the solidarity desired and ensuring the necessary co-ordination through the exchange of information and data on, *inter alia*, operations, the position of the account and any violations which have been noted.

The Republic of the Upper Volta may, for this purpose, request that the services of an official of the said central organs should be made available to it.

Article 18

The Republic of the Upper Volta shall, in so far as the international obligations contracted by it and the provisions of this title permit, draw freely on the foreign currency credited to the account referred to in article 15.

TITLE IV

CURRENCY

Article 19

The Republic of the Upper Volta intends to remain a member of the West African Monetary Union, which has a joint institute of issue.

The currency which shall be legal tender throughout the territory of the Republic of the Upper Volta shall be the franc of the African Financial Community (CFA franc), issued by the Central Bank of the Monetary Union.

Article 20

The reforms outlined in articles 21 to 27 below shall enter into force after an agreement has been negotiated with all the States members of the issuing area within a period of six months from the date on which the present Agreement is signed.

Article 21

Convertibility between the CFA franc and the French franc shall be unrestricted and shall be guaranteed by means of an operations account opened in the name of the institute of issue with the French Treasury. This account shall be the subject of an appropriate agreement.

Funds shall be freely transferable between the two States.

Article 22

The definition and parity of the monetary unit shall be maintained. Changes shall be made only by agreement between all the States members of the Monetary Union and the French Republic.

Article 23

The monetary tokens issued in each State shall be identified by a distinguishing mark.

Article 24

The institute of issue shall keep, in respect of each State member of the West African Monetary Union, separate accounting systems for the monetary issue and for its counterparts.

Article 25

The institute of issue shall be a multinational establishment whose headquarters shall be situated in Paris.

The institute shall be administered by a Board of Directors which shall meet in the territory of the member States.

The Board of Directors shall consist of representatives of the States members of the West African Monetary Union and the French Republic; the States members shall have approximately three fifths of the seats, which shall be distributed equally among them.

There shall be established in each State member of the West African Monetary Union a national monetary committee which shall comprise, among others, one of the State's representatives on the Board of Directors and one representative of the French Republic.

The managers of the branches shall be appointed following agreement with the Governments concerned.

Article 26

The statutes of the institute of issue shall establish, *inter alia*, the operations leading up to the issue, which shall be identical throughout the area.

The Board of Directors shall have sole competence to resolve all problems concerning the value of the currency and to determine the general rules applying to the allocation of credit, its decisions being taken on the basis of a two-third majority.

The national monetary committees shall be competent, in accordance with the general rules drawn up by the Board of Directors within the framework of the statutes for the whole area of issue, in such matters as:

- Supervision of credit establishments
- Allocation of credit.

Article 27

The credit operations effected by the institute of issue shall consist of the following:

- In the short term, the rediscount of commercial instruments and the acceptance as collateral for discounting purposes of public instruments submitted by the banks;
- In the medium term, the rediscount of instruments representing capital loans in respect of operations included in the economic and social development programmes drawn up by the Republic of the Upper Volta, and instruments representing loans connected with exports of industrial products.

Article 28

The Republic of the Upper Volta may, as a sovereign and independent State, become a member of any international monetary body if it deems it advisable.

Article 29

Pending the entry into force of the agreement referred to in article 20, there shall be no change in the present monetary relations between the French Republic and the Republic of the Upper Volta or in the existing monetary system.

TITLE V

MISCELLANEOUS PROVISIONS

Article 30

The Republic of the Upper Volta, or the bodies corporate under public law subject to its jurisdiction, shall have access to the French financial market. They may, therefore, in accordance with the laws and regulations in force, contract loans on the financial market or with French credit institutions. They may also, subject to the provisions relating to foreign exchange, contract loans in third countries and with international financing bodies.

Article 31

With respect to the operations included in the economic and social development programmes drawn up by the Republic of the Upper Volta, medium-term rediscounting may, where national institutions are lacking, be supplemented by financing of non-monetary origin from French specialized institutions.

Article 32

The French Republic expresses its willingness to provide assistance, under conditions to be arranged in a special agreement, if the Republic of the Upper Volta establishes a national development bank.

Article 33

The transformation of the statutes of State enterprises and mixed enterprises established in the territory of the Republic of the Upper Volta with the participation of the Caisse Centrale de Coopération Économique shall be the subject of agreements with that body.

Article 34

The French Republic and the Republic of the Upper Volta shall consult each other at the highest level on problems relating to economic, monetary and financial policies and on development problems. Other States of the franc area may be included in such consultations.

Article 35

The Republic of the Upper Volta shall be represented in the Monetary Committee of the franc area. It shall participate, where necessary, in all the other bodies common to the States of the franc area and also in any multi-lateral association of an economic and financial nature.

Article 36

Relations between the French Treasury and the Upper Volta Treasury shall continue to be governed by a special agreement.

Article 37

The French Republic and the Republic of the Upper Volta shall consult each other on an appropriate solution to the problem of the debts contracted by the former group of French West African Territories vis-à-vis the Caisse Centrale de Coopération Économique in connexion with the implementation of the programmes of the Fonds d'Investissement et de Développement Économique et Social.

Article 38

Any problems relating to public property that may arise between the French Republic and the Republic of the Upper Volta shall be regulated in a special agreement.

Article 39

This Agreement shall enter into force at the same time as the Treaty on co-operation ¹ signed today.

DONE at Paris on 24 April 1961.

For the Government
of the French Republic:

[Signed]

MICHEL DEBRÉ

For the Government
of the Republic of the Upper Volta:

[Signed]

MAURICE YAMÉOGO

¹ See p. 171 of this volume.