

No. 11760

**FRANCE, CENTRAL AFRICAN REPUBLIC,
CONGO and CHAD**

Agreement on co-operation in monetary, economic and financial matters. Signed at Brazzaville on 15 August 1960

Authentic text: French.

Registered by France on 19 April 1972.

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CONGO et TCHAD**

Accord de coopération en matière monétaire, économique et financière. Signé à Brazzaville le 15 août 1960

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[TRANSLATION — TRADUCTION]

AGREEMENT¹ ON CO-OPERATION IN MONETARY, ECONOMIC AND FINANCIAL MATTERS BETWEEN THE FRENCH REPUBLIC, THE CENTRAL AFRICAN REPUBLIC, THE REPUBLIC OF THE CONGO AND THE REPUBLIC OF CHAD

The Government of the French Republic,
The Government of the Central African Republic,
The Government of the Republic of the Congo and
The Government of the Republic of Chad,

Considering that, by virtue of the entry into force of the agreements transferring the powers of the Community,² the Central African Republic, the Republic of the Congo and the Republic of Chad have acceded to independence and that the French Republic has recognized their independence and sovereignty,

Considering the special relations which the Central African Republic, the Republic of the Congo and the Republic of Chad (hereinafter referred to as the "States of Equatorial Africa") intend to maintain, particularly with regard to the monetary system and trade,

Considering that the States of Equatorial Africa have expressed their intention to continue their development in close association with each other and in co-operation with the other countries of the franc zone, while at the same time taking advantage of opportunities for trade offered to them in other parts of the world,

Considering the expressed intention of the said States to co-operate with the French Republic within the Community, in which they shall henceforward participate in accordance with the conditions set forth in the agreements concluded to that end,

¹ Came into force on 13 March 1961, the date of the last of the notifications by which each Contracting Party notified the others of the completion of the procedures constitutionally required, in accordance with article 28.

² United Nations, *Treaty Series*, vol. 802, No. I-11419; vol. 814, No. I-11597, and p. 167 of this volume.

Have agreed as follows:

TITLE I

CURRENCY

Article 1

The French Republic recognizes that the accession to international sovereignty of the States of Equatorial Africa confers on them the right to introduce their own currency and to establish their own common bank of issue.

Article 2

The States of Equatorial Africa confirm their membership in the monetary union of which they are members within the franc zone.

The CFA franc, issued by the Central Bank of the States of Equatorial Africa and Cameroun in accordance with the conditions in force on the date on which this Agreement takes effect shall continue to be the currency which is legal tender throughout their territories.

Article 3

The transactions of the Central Bank in each of the States of Equatorial Africa shall, as from a date to be fixed by the mixed Commission, be entered separately in its books. A committee consisting of the representatives of the French Republic and those of the States of Equatorial Africa on its executive board shall meet at the request of the representatives of any one State.

Article 4

The managers of branches of the Central Bank in the States of Equatorial Africa shall be nominated by the Bank for approval by the States concerned.

Article 5

The French Republic and the States of Equatorial Africa recognize that each Party has the right to terminate the monetary system described in articles 2, 3 and 4 above, in so far as it concerns them, if the system seems to any one of the Parties to have become contrary to its own legitimate interests. In that case, negotiations shall be entered into in the Mixed Commission referred to in

article 23 of this Agreement in order to establish, on the one hand, the period of time which shall elapse before the reform takes effect and, on the other hand, the procedures for such reform in so far as they concern the Contracting Parties, including the rate of exchange between the new currency and the French franc and the other monetary units of the franc zone, and the relations between the new bank of issue and the other monetary bodies of the zone.

In such an event, the French Republic undertakes to provide the States concerned with any technical assistance they request in so far as this is possible.

Article 6

Changes in the parity between the monetary unit used in the territories of the state of Equatorial Africa and the French franc shall be made only by agreement between the Parties concerned.

The Government of the French Republic shall consult with the Governments of the States of Equatorial Africa in connexion with any studies which may be made prior to a change in the rate of exchange between the French franc and foreign currencies and shall negotiate with them measures to protect the legitimate interests of their States.

Article 7

With effect from the date of signature of this Agreement, any amendment to the statutes of the Central Bank of the States of Equatorial Africa and Cameroun shall be the result of an agreement between the Governments of the States of Equatorial Africa and the other competent authorities.

Article 8

Conventions concluded as at the date on which this Agreement takes effect concerning relations between the French Treasury and the Treasuries of the States of Equatorial Africa are hereby confirmed.

TITLE II

TRADE

Article 9

The States of Equatorial Africa shall negotiate and sign trade agreements or commercial treaties, customs conventions and financial agreements with

any countries or international organizations, regard being had to the special relations which they maintain with each other, particularly within the framework of the Equatorial Customs Union.

Article 10

With a view, *inter alia*, to ensuring the co-ordination of their economic policies with respect to third parties, the Contracting Parties agree to consult together, within the framework of the Mixed Commission or of any other body grouping some or all of the States of the franc zone, whenever one of the Parties is preparing to negotiate economic or financial agreements, conventions or treaties the subject matter which is of interest to the other Parties.

Article 11

The States of Equatorial Africa shall freely determine their quota and tariff policies, subject to the commitments they assume within or without the franc zone and any limitations which may be agreed upon pursuant to articles 13, 14 and 15 below.

Article 12

The Contracting Parties agree to maintain their economic relations within the framework of a reciprocal preferential system, the procedures for the application of which may, where necessary, be determined by special agreements.

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

Article 13

Subject to the requirements of health, security, public policy and respect for State monopolies, goods originating in and exported from the territories of the French Republic or the States of Equatorial Africa shall have freedom of movement between those territories.

The said goods shall be exempt from customs duty on entry to and exit from those territories.

Exceptions to these two principles for reasons of the initiation of marketing organizations or of development requirements may be agreed upon in the Mixed Commission.

Article 14

The States of Equatorial Africa shall enjoy the advantages of the marketing organizations and financial aid existing within the franc zone in connexion with primary commodities.

In return, they agree to respect the rules and general guidelines regarding such organizations and such aid drawn up for the whole franc zone, subject to any adjustments deemed necessary and agreed upon in the Mixed Commission.

Article 15

With a view to ensuring the application of the reciprocal preferential system referred to in article 12 as well as judicious use of the resources of the franc zone, the import programmes established by the States of Equatorial Africa on the basis of their development needs shall be drawn up each year in the Mixed Commission. The said programmes shall set an over-all ceiling in foreign exchange, which may be accompanied by partial ceilings applicable either to certain categories of goods or to certain origins. Imports under trade agreements concluded by the States of Equatorial Africa shall be included in those ceilings.

Article 16

All receipts and expenditure of the States of Equatorial Africa involving countries outside the franc zone shall be effected through the sale or purchase of foreign currency in the Paris foreign exchange market.

Foreign exchange transactions by the States of Equatorial Africa shall be particularized and entered in a "foreign currency account" showing the status of such transactions at any time.

Article 17

The Contracting Parties shall consult together in the Mixed Commission concerning changes in the balance of payments and in currency holdings. Such consultation shall take place, in particular, in connexion with payments agreements which the French Republic proposes to negotiate on behalf of the whole franc zone or agreements which the States of Equatorial Africa propose to conclude with third countries, especially where such agreements provide for loans which would involve an outflow of foreign exchange.

Article 18

The States of Equatorial Africa shall apply in their territory, through the bodies which are competent as at the date on which this Agreement takes effect, the exchange regulations of the franc zone; any adjustments shall be agreed upon in the Mixed Commission.

Within a period to be fixed from the entry into force of this Agreement, the Contracting Parties shall consult together with a view to the establishment in each of the States of Equatorial Africa of a Foreign Exchange Office placed under the authority of each Government; they shall determine in the Mixed Commission the working procedures of the Offices in question and the conditions for their co-ordination with the central authorities of the franc zone.

The Contracting Parties shall co-operate in seeking out and taking action against violations of the exchange regulations.

Article 19

Intended foreign investments in the States of Equatorial Africa shall be subject to the provisions of articles 16 and 18 above and shall be reviewed by the Foreign Exchange Offices concerned. However, if they exceed a ceiling to be established by the Mixed Commission, they shall be reviewed in the Commission, or, in case of urgency, in accordance with a procedure laid down by the Commission.

TITLE III

PARTICIPATION IN JOINT BODIES

Article 20

At the highest level, the French Republic and the States Equatorial Africa shall consult together at the periodic Conference of Heads of State and of Government with the other States of the Community on general questions relating to monetary, economic and financial policy and on development problems; such consultation may, where necessary, be extended to any other States of the franc zone.

Article 21

The States of Equatorial Africa shall be represented in the joint bodies of the franc zone.

The bodies in which they are represented shall include:

- The Monetary Committee of the franc zone;
- The Committee for Foreign Investments;
- The Committee for Economic and Financial Affairs;
- The Commission on Trade.

The procedures for applying this article shall be determined by the Mixed Commission.

Article 22

The conditions under which the States of Equatorial Africa may participate in the Central Credit Council with a view to harmonizing the general principles of credit regulation and banking organization shall be established by a subsequent agreement.

The conditions governing the association of the States of Equatorial Africa with the Bank Control Commission shall be established by a further agreement.

Article 23

A Franco-Equatorial Mixed Commission, of equal membership, shall be established.

Article 24

The Mixed Commission shall take cognizance, where necessary, of all problems concerning co-operation between the Contracting Parties in the matters referred to in titles I and II of this Agreement, without prejudice to the possible competence of other specialized bodies.

Article 25

The Mixed Commission shall meet at least once a quarter and, in the intervals between such meetings, at the request of any one of the Contracting Parties.

It shall establish its own working procedure.

It may constitute select committees.

Article 26

The powers of the Mixed Commission shall be advisory, except in the cases specified by this Agreement.

Article 27

Within three months following the date of entry into force of this Agreement, an initial meeting of the Mixed Commission shall be held for the purpose of specifying, where necessary, the procedures for the effective implementation of this Agreement.

Article 28

Each Contracting Party shall notify the others of the completion of the procedures constitutionally required for the entry into force of this Agreement, which shall take effect on the date of the last notification.

DONE at Brazzaville, on 15 August 1960.

For the Government
of the French Republic:

[Signed]
J. FOYER

For the Government
of the Republic of Chad:

[Signed]
FRANÇOIS TOMBALBAYE

For the Government
of the Central African Republic:

[Signed]
DAVID DACKO

For the Government
of the Republic of the Congo:

[Signed]
Abbé FULBERT YOULOU