No. 5670

BELGIUM
and
CONGO (LEOPOLDVILLE)

Convention concerning the winding-up of the Banque Centrale du Congo Belge et du Ruanda-Urundi (with Protocol and exchange of letters). Signed at New York, on 15 November 1960

Official text: French.

Registered by Belgium on 13 April 1961.

BELGIQUE
et
CONGO (LÉOPOLDVILLE)

Convention concernant la liquidation de la Banque Centrale du Congo Belge et du Ruanda-Urundi (avec Protocole et échange de lettres). Signée à New York, le 15 novembre 1960

Texte officiel français.

Enregistrée par la Belgique le 13 avril 1961.

[TRANSLATION — TRADUCTION]

No. 5670. CONVENTION[1] BETWEEN THE KINGDOM OF BELGIUM AND THE REPUBLIC OF THE CONGO (LEOPOLDVILLE) CONCERNING THE WINDING-UP OF THE BANQUE CENTRALE DU CONGO BELGE ET DU RUANDA-URUNDI. SIGNED AT NEW YORK, ON 15 NOVEMBER 1960

Convention between the Kingdom of Belgium and the Republic of the Congo represented respectively by Mr. W. Loridan and Mr. J. Bomboko.

Whereas on 30 June 1960 the Congo became an independent and sovereign State ;

Whereas it is expedient to establish separate monetary systems for the Congo and Ruanda-Urundi ;

Whereas it is expedient, to that end, to institute a new issuing authority for each of those countries and to wind up the Banque Centrale du Congo Belge et du Ruanda-Urundi ;

The High Contracting Parties,

Desiring to regulate procedures for the winding-up of the Banque Centrale du Congo Belge et du Ruanda-Urundi and to ensure the continuity of monetary functions in the Congo and Ruanda-Urundi,

Have agreed as follows :

Article 1

The Banque Centrale du Congo Belge et du Ruanda-Urundi (hereinafter called "Banque Centrale") shall be dissolved automatically on the date of the entry into force of this Convention.

The winding-up schedule of assets and liabilities shall be based on the position at 31 August 1960.

Article 2

The Issuing Authorities of the Congo and of Ruanda-Urundi shall take over the liabilities of the Banque Centrale payable in Congolese francs and specified below, and the transfer shall be effected without further formality at such time as

[1] Came into force on 16 February 1961, the date of the exchange of the instruments of ratification at Brazzaville, in accordance with article 18. This Convention is applicable to the Trust Territory of Ruanda-Urundi.

the said Authorities, each in respect of the liabilities pertaining to it, shall declare to the Banque Centrale that they assume the obligations deriving from those liabilities:

(*a*) Liability on notes and coin in circulation shall be assumed by the Issuing Authority of Ruanda-Urundi up to an amount equivalent to 21.2 per cent of the circulation at the close of business on 30 June 1960 ;

(*b*) The amount mentioned in the preceding paragraph shall be increased or reduced, as the case may be, by the net amount issued or withdrawn by the Usumbura Branch of the Banque Centrale after 30 June 1960 ;

(*c*) Liability on all other notes and coin in circulation shall be assumed by the Issuing Authority of the Congo ;

(*d*) Liability on accounts showing credit balances shall be assumed by the Issuing Authority of Ruanda-Urundi, in respect of accounts opened at the Usumbura Branch of the Banque Centrale, and by the Issuing Authority of the Congo, in respect of all other accounts.

For the purposes of this article, notes and coin shall comprise all notes and metallic currencies which represent a liability of the Banque Centrale.

Article 3

The following assets of the Banque Centrale shall be transferred without further formality, at the value shown in the winding-up schedule of assets and liabilities, to the Issuing Authority of the Congo and the Issuing Authority of Ruanda-Urundi at such time as those Authorities assume the liabilities mentioned in article 2 above, in an amount equivalent to the liabilities assumed :

(*a*) Currency reserves : as stated in article 4 below ;

(*b*) Commercial bills : the Issuing Authority of Ruanda-Urundi shall acquire those discounted by the Usumbura Branch of the Banque Centrale and the Issuing Authority of the Congo shall acquire those discounted in the Congo by the Banque Centrale ;

(*c*) Public bonds subscribed by Ruanda-Urundi : to the Issuing Authority of Ruanda-Urundi ;

(*d*) Other claims : the Issuing Authority of Ruanda-Urundi shall acquire the claims arising out of advances made by the Usumbura Branch of the Banque Centrale and the Issuing Authority of the Congo the claims arising out of advances made by the Banque Centrale in the territory of the Congo ;

(*e*) Premises, furniture and fittings : the Issuing Authority of Ruanda-Urundi shall acquire those situated in the territory of Ruanda-Urundi and the Issuing Authority of the Congo shall acquire all the remainder ;

(*f*) Congolese public stock, with the exception of the stock mentioned in article 5 below : to the Issuing Authority of Ruanda-Urundi, to the extent that the amount of the liabilities assumed by that Authority under article 2 above exceeds the amount of the assets transferred to that Authority under the preceding paragraphs of this article ;

(*g*) Public bonds subscribed by the Congo : to each of the two Authorities, to the amount of the balance of the total assets transferable to them.

Article 4

Of the currency reserves mentioned in article 3, paragraph (*a*), above an amount equivalent to 20 per cent of the currency reserves of the Banque Centrale at the close of business on 31 August 1960, shall be transferred to the Issuing Authority of Ruanda-Urundi, such amount to be increased or reduced, as the case may be, by the net difference between receipts and remittances of gold and currencies other than the Congolese franc after 31 August 1960 arising from operations effected by the Banque Centrale by order and for account of the Government of Ruanda-Urundi or residents of Ruanda-Urundi. The Issuing Authority of the Congo shall receive the remainder of the currency reserves.

For the purposes of this article, currency reserves shall comprise the gold and currencies other than the Congolese franc which are the property of the Banque Centrale, less the debts and other liabilities of the Banque Centrale in gold or currencies other than the Congolese franc.

Article 5

The assets of the Banque Centrale which remain after deduction of the assets transferred under article 3 above shall be applied as follows :

(*a*) To the settlement of the debts and other liabilities of the Banque Centrale not transferred under article 2 above ;

(*b*) To the redemption of a part of the Congolese public stock of the Banque Centrale sufficient to adjust its value in the winding-up schedule of assets and liabilities to a level equivalent to its market value at 30 June 1960 and, if any balance remains after the payments mentioned in paragraphs (*c*) and (*d*) below, to the corresponding writing-down of the value of the premises of the Banque Centrale ;

(*c*) To the apportionment to the Congo and to Ruanda-Urundi of public bonds subscribed by the Congo, at their value in the winding-up schedule of assets and liabilities and up to an amount of 222 million Congolese francs, such bonds to be distributed in the ratio of five-sixths to the Congo and one-sixth to Ruanda-Urundi ;

(*d*) To the payment at Brussels in Belgian francs to the other shareholders by the Banque Centrale of an amount of 1,550 Belgian francs per share, such payments to be made during December 1960 or on the entry into force of this Convention, whichever shall be the later, all taxes and charges on such payments being for the account of the shareholders.

The payments mentioned in paragraph (*d*) above shall be made out of the proceeds of the Congolese public stock of the Banque Centrale first falling due.

Article 6

The general expenses and profits of the Banque Centrale relating to operations after 31 August 1960 shall be apportioned in the ratio of five-sixths payable by or to the Issuing Authority of the Congo and one-sixth payable by or to the Issuing Authority of Ruanda-Urundi, in so far as such operations cannot be identified as relating exclusively to either the Congo or Ruanda-Urundi.

Article 7

The Issuing Authority of Ruanda-Urundi shall exchange the notes and coin which it takes over under article 2 above for its own notes and coin.

If the amount exchanged is less than the amount agreed in article 2 above, the Issuing Authority of Ruanda-Urundi shall pay to the Issuing Authority of the Congo an amount equal to the difference, payment to be effected in gold or currencies other than the Congolese franc and in Congolese public bonds or stock.

The amount to be paid in gold or currencies other than the Congolese franc shall be so determined that the ratio between the currency reserves received by the Issuing Authority of Ruanda-Urundi under article 3 above and the amount of the liabilities assumed by that Authority under article 2 above remains unchanged.

Article 8

At such time as the Issuing Authority of the Congo declares to the Banque Centrale its intention of issuing its own notes and coin, the Banque Centrale shall deliver to that Authority its unissued notes and coin.

The Issuing Authority of Ruanda-Urundi shall also hold at the disposal of the Issuing Authority of the Congo or, failing that, of the Banque Centrale, the notes and coin which it has exchanged under article 7 above.

The recipient shall pay only the cost of transport and insurance.

Where the Issuing Authority of the Congo exchanges notes and coin of the Banque Centrale which it has acquired or issued, the entire profit deriving from the notes and coin which are not exchanged shall accrue to the Issuing Authority of the Congo.

Article 9

The Congolese public stock and bonds transferred to the Issuing Authority of Ruanda-Urundi under article 3, paragraphs (*f*) and (*g*), and article 5, paragraph (*c*),