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PREAMBLE

His Majesty the King of the Belgians,
The President of the Federal Republic of Germany,
The President of the French Republic,
The President of the Republic of Italy,
Her Royal Highness the Grand Duchess of Luxembourg,
Her Majesty the Queen of the Netherlands,

Contracting Parties to the Treaty establishing the European Economic Community signed at Rome on 25 March 1957 and hereinafter designated "the Treaty", whose States are hereinafter referred to as "Member States"

and the Council of the European Economic Community

of the first part, and

His Majesty the Mwami of Burundi,
The President of the Federal Republic of Cameroon,
The President of the Central African Republic,
The President of the Republic of Chad,
The President of the Republic of the Congo (Brazzaville),
The President of the Congolese Republic (Leopoldville),
The President of the Republic of Dahomey,
The President of the Gabon Republic,
The President of the Republic of the Ivory Coast,
The President of the Republic of Madagascar,
The Head of State, President of the Council of the Government of the Republic of Mali,
The President of the Islamic Republic of Mauritania,
The President of the Republic of Niger,
The President of the Republic of Rwanda,
The President of the Republic of Senegal,
The President of the Republic of Somalia,
The President of the Republic of Togo,
The President of the Republic of the Upper Volta,

whose States are hereinafter referred to as "Associated States"

of the second part,

HAVING REGARD TO the Treaty establishing the European Economic Community,

REAFFIRMING accordingly their desire to maintain their Association,

WISHING to demonstrate their common desire for co-operation on the basis of complete equality and friendly relations, observing the principles of the United Nations Charter,

RESOLVED to develop economic relations between the Associated States and the Community,

DETERMINED to pursue their efforts together with a view to the economic, social and cultural progress of their countries,

DESIROUS of furthering the industrialization of the Associated States and the diversification of their economies, with a view to enabling them to strengthen their economic independence and stability,

CONSCIOUS of the importance of developing inter-African trade and co-operation as well as international economic relations,

HAVE DECIDED to conclude a new Convention of Association between the Community and the Associated States

TITLE I

TRADE

Article 1

With a view to promoting an increase of trade between the Associated States and the Member States, strengthening their economic relations and the economic independence of the Associated States and thereby contributing to the development of international trade, the High Contracting Parties have agreed upon the following provisions which shall regulate their mutual trade relations.

Chapter 1

Customs duties and quantitative restrictions

Article 2

1. Goods originating in Associated States shall, when imported into Member States, benefit from the progressive abolition of customs duties and charges having an effect equivalent to such duties, resulting between Member States under the provisions of Articles 12, 13, 14, 15 and 17 of the Treaty and the decisions which have been or may be adopted to accelerate the rate of achieving the aims of the Treaty.

2. Nevertheless, upon the entry into force of the Convention, Member States shall abolish the customs duties and charges having an effect equivalent to such duties which they apply to the goods originating in Associated States which are listed in the Annex to this Convention.

At the same time Member States shall apply the common customs tariff duties of the Community to imports of these goods from third countries.

3. Imports from third countries of unroasted coffee into the Benelux countries on the one hand, and of bananas into the Federal Republic of Germany on the other hand, shall be subject to the terms set out respectively, as to unroasted coffee, in the Protocol this day concluded between the Member States and, as to bananas, in the Protocol concluded on 25 March 1957 between the Member States and in the Declaration annexed to this Convention.

4. Application of the provisions of this Article shall not predetermine the treatment to be applied to certain agricultural products under the provisions of Article 11 of this Convention.

5. At the request of an Associated State, there shall be consultations within the Association Council regarding the conditions of application of this Article.

Article 3

1. Each Associated State shall accord identical tariff treatment to goods originating in any of the Member States; Associated States not applying this rule on the entry into force of this Convention shall do so within the following six months.

2. In each Associated State goods originating in Member States shall benefit, under the terms set out in Protocol No. 1 annexed to this Convention, from the progressive abolition of customs duties and charges having an effect equivalent to such duties which that Associated State applies to imports of these goods into its territory.

Provided always that, each Associated State may retain or introduce customs duties and charges having an effect equivalent to such duties which correspond to its development needs or its industrialization requirements or which are intended to contribute to its budget.

The customs duties and charges having an effect equivalent to such duties levied by Associated States in accordance with the foregoing sub-paragraph, as also any alteration which they may make in these duties and charges under the provisions of Protocol No. 1, may not either de jure or de facto give rise to any direct or indirect discrimination between Member States.

3. At the request of the Community and in accordance with the procedures laid down in Protocol No. 1, there shall be consultations within the Association Council regarding the conditions of application of this Article.

Article 4

1. Insofar as an Associated State levies export duties on exports of its products to Member States, these duties may not give rise, de jure or de facto, to any direct or indirect discrimination between Member States and may not be granted than those applied to products exported to the most favoured third country.

2. Without prejudice to the application of Article 13, paragraph 2 of this Convention, the Association Council shall take suitable measures if the application of such duties leads to serious disturbances in the conditions of competition.

Article 5

1. With regard to the abolition of quantitative restrictions, Member States shall apply to imports of goods originating in the Associated States the relevant provisions of the Treaty, and of the decisions which have been or may be adopted to accelerate the rate of achieving the aims of the Treaty, which they apply in their relations with each other.
2. At the request of an Associated State, there shall be consultations within the Association Council regarding the conditions of application of this Article.

Article 6

1. Associated States shall, not later than four years after the entry into force of the Convention, abolish all quantitative restrictions on imports of goods originating in Member States and all measures having equivalent effect. This abolition shall be carried out progressively under the conditions set out in Protocol No. 2 annexed to this Convention.
2. Associated States shall refrain from introducing any new quantitative restrictions or measures having equivalent effect on imports of goods originating in Member States.
3. Should the measures provided for in Article 3 prove insufficient to meet their development needs and their industrialization requirements, or in the event of difficulties in their balance of payments, or, where agricultural products are concerned, in connection with the requirements arising from existing regional market organizations, Associated States may, notwithstanding the provisions of the two foregoing paragraphs and subject to the terms of Protocol No. 2, retain or introduce quantitative restrictions on imports of goods originating in Member States.
4. Associated States in which imports come within the province of a State trading monopoly or of any body which, de jure or de facto, either directly or indirectly limits, controls, directs or influences them, shall take any steps necessary to attain the objectives defined in this Title and to abolish progressively any discrimination in conditions of supply and marketing of goods.

Without prejudice to the application of Article 7 below, foreign trade plans drawn up by the Associated States shall not contain or bring about, de jure or de facto, any direct or indirect discrimination between Member States.

The Associated States concerned shall inform the Association Council of the steps taken to implement the provisions of this paragraph.

5. At the request of the Community, there shall be consultations within the Association Council regarding the conditions of application of this Article.

Article 7

Without prejudice to the special provisions for border trade, the treatment that the Associated States apply by virtue of this Title to goods originating in Member States shall in no case be less favourable than that applied to goods originating in the most favoured third country.

Article 8

This Convention shall not preclude the maintenance or establishment of customs unions or free-trade areas among Associated States.

Article 9

This Convention shall not preclude the maintenance or establishment of customs unions or free-trade areas between one or more Associated States and one or more third countries insofar as they neither are nor prove to be incompatible with the principles and provisions of the said Convention.

Article 10

The provisions of the foregoing Articles 3, 4 and 6 shall not preclude prohibitions or restrictions on imports, exports or goods in transit justified on grounds of public morality, public policy, public security, the protection of human, animal or plant life or health, the protection of national treasures possessing artistic, historic or archaeological value, or the protection of industrial and commercial property. Provided always that such prohibitions or restrictions shall not be used as a means of arbitrary discrimination nor as a disguised restriction on trade.

Chapter 2

Provisions concerning certain agricultural products

Article 11

When drawing up its common agricultural policy, the Community shall take the interests of the Associated States into consideration as regards products similar to and competitive with European products. The Community and the Associated States concerned shall consult together for this purpose.

The treatment applicable to imports into the Community of these products, if they have originated in the Associated States, shall be determined by the Community in the course of defining its common agricultural policy, after consultation within the Association Council.

Chapter 3

Provisions concerning commercial policy

Article 12

1. On matters of commercial policy, the Contracting Parties agree to keep each other informed and, should one of them so request, to consult together for the purpose of giving good effect to this Convention.
2. Such consultation shall bear on measures concerning trade with third countries if these measures are likely to harm the interests of one or more Contracting Parties, with particular reference to:
 - (a) the suspension, alteration or abolition of customs duties,
 - (b) the granting of tariff quotas at reduced or zero duties, other than the quotas referred to in Article 2, paragraph 3, above,
 - (c) the introduction, reduction or abolition of quantitative restrictions, without prejudice to the obligations incumbent upon certain Contracting Parties by reason of their membership of GATT.
3. Upon the entry into force of this Convention, the Association Council shall define the procedure for consultation and exchange of information in respect of the implementation of this Article.

Chapter 4

Safeguard Clauses

Article 13

1. If serious disturbances occur in one sector of the economy of an Associated State or jeopardize its external financial stability, that State may take the necessary protective measures, notwithstanding the provisions of Article 3, paragraph 2, sub-paragraph 1 and Article 6, paragraphs 1, 2 and 4.

These measures and the methods of applying them shall be notified immediately to the Association Council.

2. If serious disturbances occur in one sector of the economy of the Community or of one or more Member States, or jeopardize their external financial stability, and if difficulties arise which may result in a region suffering grave economic hardship, the Community may take, or may authorize the Member State or States concerned to take such measures as may prove necessary in their relations with the Associated States, notwithstanding the provisions of Articles 2 and 5.

These measures and the methods of applying them shall be notified immediately to the Association Council.

3. For the purpose of implementing paragraphs 1 and 2 of this Article, priority shall be given to such measures as will least disturb the functioning of the Association. These measures shall not exceed the limits strictly necessary to remedy the difficulties that have arisen.

4. There shall be consultations within the Association Council regarding the measures taken under paragraphs 1 and 2 of this Article.

Such consultations shall be held at the request of the Community in respect of measures under paragraph 1 and at the request of one or more Associated States in respect of those under paragraph 2.

Chapter 5

General Provisions

Article 14

Without prejudice to the special provisions laid down in this Convention, and particularly those of Article 3 above, each Contracting Party shall refrain from any measure or practice of an internal fiscal nature that directly or indirectly sets up any discrimination between its own products and similar products originating in the territories of the other Contracting Parties.

TITLE II

FINANCIAL AND TECHNICAL CO-OPERATION

Article 15

Under the conditions determined below the Community shall participate in measures calculated to promote the economic and social development of the Associated States, by supplementing the efforts achieved by those States.

Article 16

For the purposes set out in Article 15, and for the duration of this Convention, an aggregate amount of 730 million units of account shall be provided as follows:

- (a) 666 million units of account by the Member States; this amount, to be paid into the European Development Fund, hereinafter referred to as "the Fund", shall be employed up to 620 million units of account in the form of grants and the balance in the form of loans on special terms.
- (b) up to 64 million units of account by the European Investment Bank, hereinafter referred to as "the Bank", in the form of loans granted by it under the terms set out in Protocol No. 5 concerning the administration of the financial aids, annexed to this Convention.

Article 17

Under the terms laid down by this Convention and by Protocol No. 5, the amount fixed in Article 16 above shall be employed as follows:

1. in the field of economic and social investments,
 - for basic economic and social schemes,
 - for production schemes of general interest,
 - for production schemes providing normal financial returns,
 - for relevant technical assistance before, during and after such investments;

2. in the field of general technical co-operation,
 - for surveying the development prospects of the economies of the Associated States,
 - for staff training and vocational training programmes;
3. in the field of aids for diversification and production,
 - for measures essentially intended to make marketing possible at competitive prices on the Community's markets as a whole, by encouraging, in particular, rationalization of cropping and sales methods, and by aiding producers to make the necessary adaptations;
4. in the field of price stabilization,
 - for advances for the purpose of helping to alleviate the effects of temporary fluctuations in world prices.

Article 18

Grants and loans shall be assigned as follows:

- (a) up to 500 million units of account for financing the measures referred to in Article 17, paragraphs 1 and 2,
- (b) up to 230 million units of account for financing the measures referred to in Article 17, paragraph 3.

Article 19

The Bank loans referred to in Article 16(b) may carry a rebate on the interest. The rate of such rebates may be up to 3% on loans of a maximum duration of 25 years.

The amounts required to pay such rebates shall, so long as the Fund exists, be charged to the amount of the grants provided for in Article 16(a).

Article 20

1. The Community may grant advances from the liquid assets of the Fund up to a ceiling of 50 million units of account for the operations provided for in Article 17, paragraph 4.
2. Such advances shall be granted according to the terms set out in Protocol No. 5.

Article 21

In order to finance the measures referred to in Article 17, the Associated State or group of Associated States concerned shall, as prescribed in Protocol No. 5 open a file for each scheme or programme for which it is requesting financial assistance. It shall send this file to the Community, addressed to the Commission.

Article 22

The Community shall examine the requests for financing that are brought before it by virtue of the provisions of the foregoing Article. It shall maintain such contacts with the Associated States concerned as it may require in order that its decisions on the schemes or programmes submitted to it may be formulated in full knowledge of the facts. The Associated State or group of Associated States concerned shall be informed of the decision taken regarding its request.

Article 23

Aid contributed by the Community for the purpose of carrying out certain schemes or programmes may take the form of participation in financing in which, in particular, third countries, international finance organizations, or credit and development institutions and authorities, whether of the Associated States or the Member States, may take part.

Article 24

1. The following shall be entitled to benefit from aids from the Fund:
 - (a) as regards grants:
 - for economic and social investment schemes: either the Associated States, or legal persons who are non-profit-making in their main capacity, who have a status of general or social interest, and who are subject in those States to government inspection;
 - for staff training and vocational training programmes and for economic surveys: the Governments of the Associated States specialized bodies and institutions; or on exceptional grounds, scholars and trainees;

- for aid towards production: producers;
 - for aid towards diversification: the Associated States, producer groups or similar bodies approved by the Community; or, failing these, producers themselves;
- (b) as regards loans on special terms and rebates on interest:
- for economic and social investment schemes: either the Associated States, or legal persons who are non-profit-making in their main capacity, who have a status of general or social interest, and who are subject in those States to government inspection, or, possibly, private enterprises by special decision of the Community;
 - for aid towards diversification: the Associated States, producer groups or similar bodies approved by the Community, or, failing these, producers themselves and, possibly, private enterprises by special decision of the Community.

2. Financial aids may not be used to cover current administrative, maintenance and operating expenses.

Article 25

As regards operations financed by the Fund or by the Bank, participation in the letting out of contracts, invitations for tenders, purchasing and other contracts shall be open, on equal terms, to all natural and legal persons who are nationals of the Member States or the Associated States.

Article 26

The amounts allocated for financing schemes or programmes, under the provisions of this Title, shall be utilized in accordance with the purposes decided upon and shall be expended to the best economic advantage.

Article 27

The Association Council shall lay down the general pattern for financial and technical co-operation within the framework of association, more particularly in the light of an annual report to be submitted to it by the organ responsible for administering the Community's financial and technical aid.

Article 28

If any Associated State should fail to ratify the Convention, under the terms set out in Article 57, or denounce the Convention in accordance with Article 60, it shall then be obligatory upon the Contracting Parties to adjust the amount of financial aid fixed in Articles 16 and 18.

TITLE III

RIGHT OF ESTABLISHMENT, SERVICES, PAYMENTS
AND CAPITAL

Article 29

Without prejudice to measures adopted in implementation of the Treaty, in each Associated State nationals and companies of every Member State shall be placed on an equal footing as regards the right of establishment and provision of services, progressively and not later than three years after the entry into force of this Convention.

The Association Council may authorize an Associated State, at its request, to suspend implementation of the provisions of the foregoing sub-paragraph over a given period and for a given activity.

Nevertheless, in an Associated State nationals and companies of a Member State may benefit from the provisions of the first sub-paragraph, in respect of a given activity, only in so far as the State to which they belong grants similar advantages for the same activity to the nationals and companies of the Associated State in question.

Article 30

Should an Associated State grant nationals or companies of a State which is neither a Member State of the Community nor an Associated State within the meaning of this Convention, more favourable treatment than that which implementation of the provisions of this Title afford to nationals, such treatment shall be extended to nationals or companies of the Member States, excepting where it arises out of regional agreements.

Article 31

Subject to the provisions relating to movements of capital, the right of establishment within the meaning of this Convention shall include the right to engage in and carry on non-wage-earning activities, to set up and manage undertakings and in particular companies, and to set up agencies, branches or subsidiaries.

Article 32

Services within the meaning of this Convention shall be deemed to be services normally provided against remuneration, in so far as they are not governed by the provisions relating to trade, the right of establishment and movements of capital. Services shall include in particular activities of an industrial character, activities of a commercial character, artisan activities and activities of the liberal professions, excluding wage-earning activities.

Article 33

Companies within the meaning of this Convention shall be deemed to be companies under civil or commercial law, including co-operative societies and other legal persons under public or private law, but not including non-profit-making companies.

Companies of a Member State or an Associated State shall be companies constituted in accordance with the law of a Member State or an Associated State, and having their registered office, central administration, or main establishment in a Member State or an Associated State; nevertheless, should they have only their registered office in a Member State or an Associated State, their business must be actively and continuously linked with the economy of that Member State or Associated State.

Article 34

The Association Council shall take any decisions required to further the implementation of Articles 29 to 33 above.

Article 35

Each Signatory State undertakes, to the full extent of its powers, to authorize payments relating to trade in goods, services and capital and to wages, as also the transfer of such payments to the Member State or Associated State in which the creditor or the beneficiary is resident, in so far as the movement of such goods, services, capital or persons has been liberalized in implementation of this Convention.

Article 36

Throughout the whole duration of the loans and advances referred to in Chapters III, IV and V of Protocol No. 5, the Associated States undertake to make available to debtors the foreign currency necessary for the repayment of capital and interest on loans granted for schemes to be carried out in their territory and for repayment of advances granted to the stabilization funds.

Article 37

1. Associated States shall make every endeavour not to introduce any new exchange restriction that would affect the treatment applied to investments and to current payments connected with the movements of capital resulting therefrom, where these are effected by persons residing in the Member States, and not to make the existing controls more restrictive.

2. To the extent necessary for achieving the objectives of this Convention, the Associated States undertake to treat nationals and companies of Member States on an equal footing, not later than 1 January 1965, in respect of investments made by them as from the date of the entry into force of the Convention, as also of movements of capital resulting therefrom.

Article 38

The Association Council shall formulate any appropriate recommendations to the Contracting Parties concerning the implementation of Articles 35, 36 and 37 above.

TITLE IV

INSTITUTIONS OF THE ASSOCIATION

Article 39

The Institutions of the Association shall be:

- the Association Council assisted by the Association Committee,
- the Parliamentary Conference of the Association,
- the Court of Arbitration of the Association.

Article 40

The Association Council shall be composed, on the one hand, of the members of the Council of the European Economic Community and members of the Commission of the European Economic Community and, on the other hand, of one member of the Government of each Associated State.

Any member of the Association Council prevented from attending may be represented. The representative shall exercise all the rights of the accredited member.

Proceedings of the Association Council shall only be valid if half the members of the Council of the Community, one member of the Commission and half the accredited members representing the Governments of the Associated States are present.

Article 41

The office of the President of the Association Council shall be exercised alternately by a member of the Council of the European Economic Community and a member of the Government of an Associated State.

Article 42

Meetings of the Association Council shall be called once a year by the President.

Furthermore it shall meet whenever necessary, in accordance with the conditions laid down in its rules of procedure.

Article 43

The Association Council shall express itself by mutual agreement between the Community on the one hand and the Associated States on the other.

The Community on the one hand and the Associated States on the other shall each by means of an internal Protocol determine their procedure for arriving at their respective positions.

Article 44

In cases covered by this Convention, the Association Council shall dispose of the power of decision; such decisions shall be binding upon the Contracting Parties, who shall be under the obligation to take all necessary measures to carry them out.

The Association Council may likewise formulate such resolutions, recommendations or opinions as it may deem necessary to achieve the common objectives and to ensure that the Association system works efficiently.

The Association Council shall periodically study the results of the Association system in the light of that system's objectives.

The Association Council shall lay down its rules of procedure.

Article 45

The Association Council shall be assisted in the performance of its task by an Association Committee composed on the one hand of one representative of each Member State and one representative of the Commission and, on the other, of one representative of each Associated State.

Article 46

The Office of the Chairman of the Association Committee shall be filled by the State which is presiding over the Association Council.

The Association Committee shall lay down its rules of procedure, which shall be submitted to the Association Council for approval.

Article 47

1. In its rules of procedure the Association Council shall define the duties and powers of the Association Committee, with the object, in particular, of ensuring the continuity of co-operation essential to the satisfactory operation of the Association.

2. The Association Council may when necessary delegate to the Association Committee the exercise of the powers entrusted to it by this Convention, under the terms and within the limits laid down by the Council.

In that event, the Committee shall give its decisions in accordance with the terms of Article 43.

Article 48

The Association Committee shall account for its actions to the Association Council, particularly in matters which have been the subject of a delegation of powers.

It shall also submit any useful proposal to the Association Council.

Article 49

The duties of the Secretariat of the Association Council and the Association Committee shall be carried out on a basis of parity and in accordance with the rules of procedure of the Association Council.

Article 50

The Parliamentary Conference of the Association shall meet once a year. It shall be composed, on a basis of parity, of members of the Assembly and members of the Parliaments of the Associated States.

Each year the Association Council shall submit a report on its activities to the Parliamentary Conference.

The Parliamentary Conference may vote resolutions on matters concerning the Association. It shall appoint its President and its officers and shall adopt its own rules of procedure.

The Parliamentary Conference shall be prepared by a Joint Committee set up on a basis of parity.

Article 51

1. Disputes concerning the interpretation or the application of the present Convention which might arise between one Member State, several Member States or the Community on the one hand, and one or more Associated States on the other, shall be submitted by one of the parties to the dispute to the Association Council which shall seek an amicable settlement at its next meeting. If this cannot be achieved and if the parties to the dispute fail to agree upon an appropriate solution, the dispute shall, at the request of the earliest petitioner, be submitted to the Court of Arbitration of the Association.

2. The Court of Arbitration shall be composed of five members: a President who shall be appointed by the Association Council and four judges chosen from among persons whose independence and competence can be fully guaranteed. The judges shall be appointed by the Association Council within three months after the entry into force of the Convention and for the duration thereof. Two of the judges shall be appointed by the Council of the European Economic Community and the other two by the Associated States. For each judge, following the same procedure, the Association Council shall appoint a deputy who shall sit in the event of the accredited judge being unable to do so.
3. The Court of Arbitration shall act by majority vote.
4. The decisions of the Court of Arbitration shall be binding on the parties to the dispute who shall be under the obligation to take all necessary measures to carry them out.
5. Within three months after the judges are appointed, the Association Council shall lay down the Statute of the Court of Arbitration, on a proposal of that Court.
6. The Court of Arbitration shall adopt its rules of procedure within the same period.

Article 52

The Association Council may make any useful recommendation for the purpose of facilitating contacts between the Community and the representatives of the various trades and professions of the Associated States.

Article 53

The administrative expenses of the Institutions of the Association shall be defrayed in accordance with the terms set out in Protocol No. 6 annexed to this Convention.

TITLE VGENERAL AND FINAL PROVISIONSArticle 54

No treaties, conventions, agreements or arrangements of whatever form or nature between one or more Member States and one or more Associated States shall preclude the implementation of the provisions of this Convention.

Article 55

This Convention shall apply to the European territory of the Member States of the Community on the one hand, and to the territory of the Associated States on the other.

The First Title of this Convention shall also apply to the relations between the French Overseas Territories and the Associated States.

Article 56

As far as the Community is concerned, this Convention shall be validly concluded by a decision of the Council of the Community taken in conformity with the provisions of the Treaty and notified to the Parties. It shall be ratified by the Signatory States in conformity with their respective constitutional requirements.

The instruments of ratification and the act of notification of the conclusion of the Convention shall be deposited with the Secretariat of the Councils of the European Communities, who shall give notice thereof to the Signatory States.

Article 57

1. This Convention shall enter into force on the first day of the month following the date on which the instruments of ratification of the Member States and of at least fifteen of the Associated States and the instrument notifying the conclusion of the Convention by the Community have been deposited.
2. Any Associated State which has not ratified the Convention by the date of its entry into force as provided for in the previous paragraph, shall be able to proceed with this ratification only during the twelve months following such entry into force, unless before the expiry of this period it gives notice to the Association Council of its intention to ratify the Convention not later than six months after this period, and on condition that it deposits its instruments of ratification within the same time limit.

3. As regards those States which have not ratified the Convention by the date of its entry into force as laid down in paragraph 1, the provisions of the Convention shall become applicable on the first day of the month following the deposit of their respective instruments of ratification.

Signatory States who ratify the Convention in accordance with the terms of paragraph 2 shall recognize the validity of all measures taken in implementation of the said Convention between the date of its entry into force and the date when its provisions become applicable to them. Without prejudice to any delay which might be granted to them by the Association Council, they shall, not later than six months after depositing their instruments of ratification, carry out all the obligations which devolve upon them under the terms of this Convention or of implementing decisions adopted by the Association Council.

4. The rules of procedure of the organs of the Association shall lay down if and under what conditions the representatives of Signatory States which, on the date of entry into force of the Convention, have not yet ratified it, shall sit in the organs of the Association as observers. The arrangements thus adopted shall only be effective until the date on which the Convention becomes applicable to these States; in any case, they shall cease to apply on the date on which, according to the terms of paragraph 2 above, the State concerned shall no longer be able to proceed with the ratification of the Convention.

Article 58

1. The Association Council shall be informed of any request made by a State for accession to or association with the Community.

2. There shall be consultations within the Association Council on any request for association with the Community made by a State which has an economic structure and production comparable to those of the Associated States if the Community, after examining the said request, has laid it before the Association Council.

3. The agreement of association between the Community and any State covered by the previous paragraph may provide for the accession of that State to the present Convention. That State shall then enjoy the same rights and be subject to the same obligations as the Associated States. Provided always that the agreement which associates it with the Community may determine the date on which certain of these rights and obligations shall become applicable to it.

Such accession shall not adversely affect the advantages accruing to the Associated States which are signatories to this Convention from the provisions relating to financial and technical co-operation.

Article 59

This Convention shall be concluded for a period of five years from the date of its entry into force.

Article 60

One year before the expiry of this Convention, the Contracting Parties shall examine the provisions which might be made for a further period.

The Association Council shall if necessary take any transitional measures required until the new Convention enters into force.

Article 61

The Community and the Member States shall undertake the obligations set out in Articles 2, 5 and 11 of the Convention with respect to Associated States which, on the grounds of international obligations applying at the time of the entry into force of the Treaty establishing the European Economic Community and subjecting them to a particular customs treatment, may consider themselves not yet able to offer the Community the reciprocity provided for by Article 3, paragraph 2 of the Convention.

The Contracting Parties concerned shall re-examine the situation not later than three years after the entry into force of the Convention.

Article 62

This Convention may be denounced by the Community in respect of any Associated State and by any Associated State in respect of the Community by means of six months' notice.

Article 63

The Protocols annexed to this Convention shall form an integral part thereof.

Article 64

The present Convention, drawn up in a single original in the German, French, Italian and Netherlands languages, each of these texts being equally authentic, shall be deposited in the archives of the Secretariat of the Councils of the European Communities which shall transmit a certified copy to the Government of each of the Signatory States.

ANNEX TO THE CONVENTION

A. List of goods originating in the Associated States
and admitted free of customs duty into the Community
as from the date of entry into force of the Convention

(Article 2 of the Convention)

Tariff heading	Description of products
08.01 C	Pineapples
ex 08.01 D	Coconut (desiccated)
09.01 A I a	Coffee, unroasted, not freed of caffeine
09.02 B	Tea, other than imported in immediate packings of a net capacity of 3 kg or less
09.04 A I	Pepper (of the genus "Piper"), not crushed or ground
09.05	Vanilla
09.07 A	Cloves (whole fruit, cloves and stems) not crushed or ground
ex 09.08 A II	Nutmeg, not crushed or ground, other than that intended for the industrial manufacture of essential oils or resinoids
18.01	Cocoa beans, whole or broken, raw or roasted

B. Tropical woods

The Council of the European Economic Community has agreed to implement the provisions laid down in the Protocol relating to List G within the context of the negotiations with the United Kingdom.

PROTOCOLS

PROTOCOL No. 1

concerning the implementation of Article 3
of the Convention of Association

THE HIGH CONTRACTING PARTIES

HAVE AGREED upon the following provisions which shall be annexed to the Convention:

Article 1

1. For the purpose of implementing Article 3 of the Convention, each Associated State shall, within a period of two months from the entry into force of this Convention, communicate to the Association Council its customs tariff or the complete list of customs duties and charges having an effect equivalent to such duties imposed on 31 December 1962 on all imported goods, indicating the duties and charges that apply to goods originating in Member States and other Associated States, those that apply to goods originating in third countries, and the export duties.

In this communication, each Associated State shall specify those of the duties or charges referred to in the foregoing paragraph which, in its opinion, correspond to its development needs or its industrialization requirements or are intended to contribute to its budget. It shall give the reasons for their retention or introduction.

2. At the request of the Community, there shall be consultations within the Association Council on the customs tariffs or lists referred to in paragraph 1 above. If no request for consultation has been made within a time-limit of three months, the Association Council shall be deemed to have noted these tariffs or lists.

Article 2

On the basis of the tariffs or lists which the Association Council has noted, and without prejudice to the provisions of Article 3, paragraph 1, of the Convention, each Associated State shall make an annual reduction of 15%, as from the first day of the seventh month after the entry into force of the Convention, in the customs duties and charges having an effect equivalent to such duties applicable to imports of goods originating in the Member States, other than those which are recognized as being necessary to the development and industrialization of the Associated State concerned or which are intended to contribute to its budget.

Article 3

Each Associated State hereby declares its readiness to reduce customs duties and charges having an effect equivalent to such duties, in respect of Member States, more rapidly than is provided for under the foregoing article if its economic situation so permits.

Article 4

Any increase in customs duties and charges having an effect equivalent to such duties which are recognized as necessary to the development and industrialization of an Associated State, or which are intended to contribute to its budget, shall be communicated by that State to the Association Council before entering into force and shall be a matter for consultation should the Community so request.

PROTOCOL No. 2

concerning the implementation of Article 6
of the Convention of Association

THE HIGH CONTRACTING PARTIES

HAVE AGREED upon the following provisions which shall be annexed to the Convention:

Article 1

For any product originating in Member States, imports of which into the territory of an Associated State are subject to quantitative restrictions or measures having an effect equivalent to such restrictions, that Associated State shall establish a global quota which it shall open without discrimination to Member States other than that State, imports from which are already unrestricted.

Where the Association Council finds that imports of a given product have, for two consecutive years, been less than the quotas opened under Article 2 below, the Associated State shall abolish all quotas on this product.

Article 2

The global quota referred to in the first sub-paragraph of Article 1 above shall be established and increased in accordance with the following provisions:

(a) In each Associated State where imports are limited by quantitative restrictions, the amount of the basic quota shall be equal to the amount of the quota for the year 1959, calculated in accordance with Article 11 of the Implementing Convention concerning the Association with the Community of the Overseas Countries and Territories signed on 25 March 1957 and annexed to the Treaty, and increased by 75%. This basic quota shall amount to at least 15% of the total imports of the said product into the Associated State during the last year for which statistical data are available.

Where, in respect of a non-liberalized product, no quota has been opened for imports into an Associated State, that State shall establish a quota equal to at least 15% of the total imports of the said product into that Associated State during the last year for which statistical data are available.

In respect of products which have never been imported by an Associated State, that State shall establish an appropriate quota.

The basic quota thus established shall be increased by 20% for the first year and then annually, in relation to the previous year, by 20% for the second year, by 30% for the third year, and by 40% for the fourth year.

(b) Each Associated State into which imports are limited other than by quantitative restrictions shall establish a global quota for each non-liberalized product from the date of the entry into force of the Convention; the quota shall be open to the Member States without discrimination and equal to the amount of the product imported from Member States by that Associated State during the last year for which statistics are available. This quota shall not be less than 15% of the total imports of the same product into that Associated State during the reference year.

The basic quota thus established shall be increased in accordance with the terms set out in sub-paragraph 4 of paragraph (a) above.

Article 3

Each Associated State shall, not later than 1 February of each year, open the quotas established in conformity with Article 2 of this Protocol for imports of goods originating in Member States. These measures, as also those referred to in Article 5 below, shall be published in the official Gazette of the State concerned and shall furthermore be the subject of a communication to the Association Council.

Article 4

Each Associated State hereby declares its readiness to abolish quantitative restrictions on imports and measures having equivalent effect more rapidly than is provided for in this Protocol, if its economic situation so permits.

Article 5

1. Under the conditions set out in Article 6, paragraph 3 of the Convention, an Associated State may retain or introduce quantitative restrictions on imports of goods originating in Member States, subject to prior consultation within the Association Council and to the establishment of global quotas open without discrimination to goods originating in Member States.

2. The Association Council shall hold the consultation referred to in the foregoing paragraph not later than two months after the date on which the Associated State requests authority to adopt the measures referred to in the said paragraph.

If there has been no consultation within this time-limit, the Associated State may adopt the measures which it has requested.

PROTOCOL No. 3

concerning the concept of "goods originating in ..."
for the purpose of implementing the Convention
of Association

THE HIGH CONTRACTING PARTIES

HAVE AGREED on the following provisions which shall be annexed to the Convention:

1. On the basis of a draft prepared by the Commission, and not later than the first day of the seventh month following the entry into force of the Convention, the Association Council shall lay down the definition of the concept of "goods originating in ..." for the purpose of implementing Title I of the Convention. It shall also determine the methods of administrative co-operation.
2. The system in force on 31 December 1962 shall continue to apply until the implementation of the new provisions.

PROTOCOL No. 4

relating to measures to be taken by the High Contracting Parties
concerning their mutual interests
with particular regard to tropical products

THE HIGH CONTRACTING PARTIES

HAVE AGREED upon the following provisions which shall be annexed to the Convention:

1. The Contracting Parties agree to take into account their mutual interests on the international level, in accordance with the principles forming the basis of the Convention.
2. To this end, they shall ensure the necessary co-operation, particularly by means of consultations within the Association Council, and shall give each other all possible assistance.
3. Such consultations shall take place more particularly with a view to undertaking appropriate measures, by common consent and on the international level, to solve the problems that arise out of the disposal and marketing of tropical products.

PROTOCOL No. 5

concerning the administration of the financial aids

THE HIGH CONTRACTING PARTIES

HAVE AGREED upon the following provisions which shall be annexed to the Convention:

Chapter I

Economic and social investments and technical assistance
connected with investments

Article 1

1. For the financing of the measures referred to in Article 17, paragraph 1 of the Convention, the Governments of the Associated States shall establish, as far as possible within the framework of a development plan, basic economic and social schemes, production schemes of general interest and production schemes providing normal financial returns, and shall prepare requests for technical assistance connected with investments.

2. Nevertheless, the Community may, where necessary, set up technical assistance schemes connected with investments, with the consent and for the benefit of an Associated State.

Article 2

Schemes shall be financed by grants, by loans on special terms, by loans granted by the Bank possibly carrying rebates of interest, or by the simultaneous use of several of the above means.

Article 3

Schemes shall be submitted to the Community, addressed to the Commission. However, those schemes for which a loan is requested from the Bank shall be addressed to the Bank, either directly by the parties concerned, or through the Commission, or through the Associated State on whose territory the scheme is to be carried out.

Article 4

1. Technical assistance connected with investments shall be financed by grants.
2. Such assistance shall cover the following measures in particular:
 - planning,
 - special and regional development surveys,
 - technical and economic surveys needed for the preparation of investment schemes,
 - help in preparing files,
 - help with the technical execution and supervision of work,
 - temporary help in setting up, starting, and running a particular investment or plant,
 - temporary responsibility for expenses in respect of the technicians and supplies needed to carry out an investment scheme efficiently.

Article 5

The competent authorities of the Associated States shall be responsible for carrying out the schemes submitted by their respective governments and financed by the Community.

Chapter II

Technical co-operation

Article 6

The financing of the measures referred to in Article 17, paragraph 2 of the Convention shall be effected either at the request of the Governments of Associated States, to be presented preferably within the context of programmes covering one or more years, or on a proposal of the Community.

Article 7

Measures taken by the Community in the field of technical co-operation shall be financed by grants.

Article 8

Requests from Associated States shall be submitted to the Community, addressed to the Commission.

Article 9

The Community's financial measures in the field of technical co-operation shall in particular include:

- (a) sending experts, advisers, technicians and instructors to Associated States, at the request of such States, for a definite task and a limited period;
- (b) supplying materials for experiments and demonstrations;
- (c) preparing surveys of the development and diversification prospects of the economies of Associated States, surveys of problems of interest to the associated countries as a whole, such as the preparation and distribution of standard plans for certain buildings or market surveys;
- (d) granting scholarships for the purpose of training staff, in the universities and specialized institutions of Associated States or, where this is not possible, of Member States;
- (e) vocational training by means of grants or training schemes in Associated States or, where this is not possible, in Member States;
- (f) organizing short training courses for nationals of Associated States;
- (g) general information and documentation for the purpose of encouraging the economic and social development of the Associated States, the development of trade between these States and the Community, and the efficient attainment of the Fund's objectives.

Article 10

The Governments of the Associated States and, where appropriate, specialized institutions or other specialized bodies of Member States or Associated States, shall be responsible for carrying out the technical co-operation programmes submitted by the Governments.

Chapter III

Loans on special terms

Article 11

The loans on special terms referred to in Article 16 of the Convention shall be used for financing investment schemes of general interest to the recipient State in so far as the capacity of these schemes to show direct profits, as also the capacity of the State concerned to bear the debt at the time when the loan is granted, permit of such financing.

Article 12

Such loans may be granted for a maximum period of 40 years and may be exempted from amortization for a period of up to 10 years. They shall enjoy favourable terms of interest.

Article 13

The Community shall lay down the terms under which loans are to be granted and the procedures for effecting and recovering them.

Chapter IV

Loans by the European Investment Bank

Article 14

The examination by the Bank of the eligibility of schemes and the granting of loans to Associated States or to enterprises under their jurisdiction shall be carried out in accordance with the terms, conditions and procedures laid down by the Statutes of the Bank and shall take into consideration the capacity of the State concerned to bear the debt. The Bank shall finance only those schemes upon which the Associated State or States concerned have expressed a favourable opinion.

Article 15

The length of the amortization period for each loan shall be determined on the basis of the economic characteristics of the scheme to be financed; this period may not exceed 25 years.

Article 16

Loans may be used to meet import expenditure and local expenditure needed for carrying out approved investment schemes.

Article 17

Loans shall carry the same rate of interest as that employed by the Bank at the time when the loan is signed. At the request of the recipients loans may carry a rebate on interest under the terms of Article 19 of the Convention.

Article 18

The decision to grant rebates on interest shall be taken by the Community. The amount of the rebates shall be paid directly to the Bank.

Chapter V

Advances to stabilization funds

Article 19

For the purpose of financing the measures referred to in Article 17, paragraph 4 of the Convention, advances may be granted to stabilization funds existing or to be set up in the Associated States.

Article 20

Requests for advances shall be submitted to the Community, addressed to the Commission, by the Governments of the Associated States concerned. They shall be accompanied by a report prepared by the Board of Directors of the stabilization fund concerned.

Article 21

The Community shall determine the amount and the duration of advances. These advances shall be guaranteed by the Associated State concerned. Their normal terms shall be that of the Convention.

Chapter VI

Aids for diversification and production

Article 22

The aids for production and diversification referred to in Article 17, paragraph 3 and Article 18, (b) of the Convention shall be apportioned and used in accordance with the terms set out below.

Article 23

The purpose of aids for production shall be to assist producers of the Associated States in progressively adapting their production to the requirements of marketing at world prices.

The purpose of aids for diversification shall be to enable the Associated States to reform their structure and to achieve appropriate diversification in the fields of agriculture, industry and commerce.

Article 24

Aids for production and diversification shall be apportioned as follows:

- (1°) 183 million units of account to aids for production and diversification to the following eleven Associated States: Cameroon, the Central African Republic, Chad, Congo (Brazzaville), Dahomey, the Ivory Coast, Madagascar, Mali, Niger, Senegal and Togo;
- (2°) 32 million units of account to aids for diversification to the following four Associated States: Burundi, Congo (Leopoldville), Rwanda and Somalia;
- (3°) 15 million units of account to aids for diversification to the following three Associated States: Gabon, Mauritania and Upper Volta.

Article 25

For the purpose of financing the measures set out in Article 23 above, and within the limit of the amount allocated to it under that Article, each Associated State shall within three months after the Convention enters into force submit a programme covering a period not longer than the duration of the Convention, which shall provide either for aids for production and for diversification simultaneously, or for aids for diversification only.

A

States benefiting simultaneously
..... from aids for
diversification and production

Article 26

1. For each of the eleven Associated States benefiting simultaneously from aids for diversification and production, the five-year share of the sum of 183 million units of account to be used for establishing its programme shall be calculated in relation to its exports of the following products: coffee, groundnuts, groundnut oil, palm oil, dessicated coconut, cotton, pepper, rice, sugar, gum arabic.

2. On the basis of the provisions in the foregoing paragraph, the five-year share of each of these Associated States shall be fixed as follows (in millions of units of account):

Cameroon	15.8
Central African Republic	6.8
Chad	5.7
Congo (Brazzaville)	6.4
Dahomey	5.5
Ivory Coast	46.7
Madagascar	31.6
Mali	5.6
Niger	6.5
Senegal	46.7
Togo	5.7

Article 27

Each Associated State receiving aids for production and aids for diversification simultaneously shall take the following principles into account when drawing up its five-year programme:

1. aids to production may not exceed three-quarters of the five-yearly amount granted by the Community to that Associated State under the combined heading of aids for production and for diversification;
2. aids for production may be allocated by the Community to each Associated State from the first year of the Convention. They shall be on a decreasing scale from the date when the procedure begins, in respect of each product, which is to lead to marketing at world prices, so that the complete abolition of such aids may be reached not later than the end of the duration of the Convention;
3. each Associated State shall see to it that, out of the amount allocated under the heading of aids to production, the producers devote a suitable proportion to the structural improvement of cropping plans.

Article 28

The Community shall examine, together with each Associated State, whether that State's programme conforms to the principles laid down in Article 27 above. After this scrutiny and, where appropriate, after the programme has been adjusted, the Community shall note it and decide upon the amount of the first yearly instalment of its contribution.

Article 29

1. Immediately after the end of each year as from the date of entry into force of the Convention, the Community shall examine whether the aids for diversification and for production have been used during the past year in accordance with the purposes assigned for these aids, as laid down in the provisions of the Convention and of this Protocol.

2. This scrutiny shall bear particularly upon:

- the analysis, product by product, of the movement of world prices in relation to the prices used as a basis for calculating the share of each Associated State mentioned in Article 26;
- the comparison, product by product, of the levels of tonnage actually exported in relation to the levels used as a basis for determining the said share;
- the amount of aids allocated by other sources for the purpose of achieving the objectives set out in Article 23.

3. Following this scrutiny, and after making any necessary adjustment to the next yearly instalment of the programme laid down in Article 25, the Community shall give its final decision on the amount of the said instalment.

4. If, at the end of this scrutiny, the Community observes that the aid for production allocated to the Associated State concerned in respect of the past year has not been fully utilized, the Community shall, after consulting with that State, decide how the balance should be appropriated.

Article 30

1. The amount of the aid allocated to producers, as determined under the provisions of Articles 28 and 29 above, shall be paid in the form of grants to bodies approved by the Community and by the Associated States.

2. The yearly amount and the procedures for utilizing the aid allocated to each State for each branch of production shall be published by appropriate means within that Associated State.

Article 31

The amounts allocated under the heading of aids to production shall be utilized in accordance with the appropriations and procedures laid down by the Community after consultation with the Associated State concerned.

Such action as needs to be taken for the purpose of implementing the provisions of this Chapter shall be the responsibility of each Associated State to the extent that it is concerned therein.

The Community shall see to it that the prescription in the first subparagraph of this Article is observed and shall take any appropriate measures where necessary.

Article 32

For the purpose of implementing Articles 28 to 30 above, each Associated State shall annually submit a detailed report on the use of the sums received under the heading of aids to production. It shall attach all relevant documents and in particular reports from the approved bodies.

The Associated State shall co-operate in any inspection considered desirable by the Community, especially with regard to the said bodies.

Article 33

Sums which are assigned to aid for diversification by Associated States benefiting simultaneously from aids to production and aids to diversification, shall be used in accordance with the provisions of Articles 36 to 38.

B

States benefiting from aids for diversification

Article 34

1. The sums provided for under Article 24, paragraph 2, shall be apportioned as follows (in millions of units of account):

- Burundi	5.25
- Congo (Leopoldville)	15
- Rwanda	5.25
- Somalia	6.50

2. The sums provided for under Article 24, paragraph 3 shall be apportioned as follows (in millions of units of account):

- Gabon	4
- Mauritania	5
- Upper Volta	6

Article 35

On the basis of the programme provided for in Article 25 above, the Community, together with each of the seven Associated States referred to in the foregoing Article, shall consider whether their respective proposals concerning the use of aids for diversification takes the objectives assigned to these aids into account.

Article 36

Schemes under aids for diversification shall be financed by grants, by loans on special terms, by loans granted by the Bank possibly with rebates of interest, or by the simultaneous use of several of the above means.

Article 37

Within the context of its programme, each Associated State shall submit requests to the Community for aids for diversification on the basis of definite schemes.

Article 38

The provisions of Chapters I, II, III and IV of this Protocol shall apply, as necessary, to the financing of schemes to aid diversification.

Chapter VII

Miscellaneous provisions

Article 39

With a view to permitting of swift intervention to provide emergency help from Fund resources to any Associated State stricken by natural disaster, a Reserve Fund shall be created, to be financed by a levy of 1% on that part of the grants which is included in the amount referred to in Article 18, (a) of the Convention.

Article 40

Financing and administrative expenses arising out of the administration of the Fund shall be charged to the resources set aside for grants.

Article 41

Goods which have been imported into an Associated State under a supply contract financed by the Community shall not be counted in the quotas open to Member States.

Article 42

The Community and the Associated States shall collaborate in all measures necessary to ensure that the amounts assigned by the Community are utilized in accordance with the provisions of Article 26 of the Convention.

PROTOCOL No. 6

concerning the operating expenses
of the Institutions of the Association

THE HIGH CONTRACTING PARTIES

HAVE AGREED upon the following provisions which shall be annexed to the Convention:

Article 1

The Member States and the Community on the one hand, and the Associated States on the other, shall be responsible for such expenditure as they shall incur by reason of their participation in the meetings of the Association Council and its dependent organs, both with regard to staff, travel and living expenses and to postal and telecommunications expenses.

Expenditure in connection with interpretation at meetings, translation and reproduction of documents, and the material organization of meetings (premises, furnishings, porters, etc...) shall be borne by the Community or by the Associated States according to whether the meetings take place on the territory of a Member State or on that of an Associated State.

Article 2

The Community and the Associated States shall be severally responsible for the travel and living expenses of their respective participants at the meetings of the Parliamentary Conference of the Association and of the Joint Committee.

Similarly they shall be responsible for the travel and living expenses of the personnel required for these meetings as well as for postal and telecommunications expenses.

Expenditure in connection with interpretation at meetings, translation and reproduction of documents, and the material organization of meetings (premises, furnishings, porters, etc...) shall be borne by the Community or by the Associated States according to whether the meetings take place on the territory of a Member State or on that of an Associated State.

Article 3

Members of the Court of Arbitration shall be entitled to have their travel and living expenses refunded. The latter shall be fixed at 20 units of account for each day during which members of the Court of Arbitration sit. These sums shall be paid to them by the Court of Arbitration.

The travel and living expenses of the members of the Court of Arbitration shall be met as to one half by the Committee and as to the other half by the Associated States.

Expenditure relating to the record office of the Court of Arbitration, to the investigation of disputes and to the material organization of hearings (premises, personnel, interpretation, etc...) shall be borne by the Community.

Expenditure relating to special investigations shall be settled by the Court of Arbitration with the other costs under the terms laid down by its statute; to cover such expenditure the parties shall advance deposits under the terms laid down by the Order of the Court of Arbitration, or of its President, in which such measures are prescribed.

PROTOCOL No. 7

concerning the value of the unit of account

THE HIGH CONTRACTING PARTIES

HAVE AGREED upon the following provisions, which shall be annexed to the Convention:

Article 1

The value of the unit of account used to express sums in the Convention of Association or in the provisions adopted in implementation of this Convention shall be 0.88867088 grams of fine gold.

Article 2

The parity of the currency of a Member State in relation to the unit of account defined in Article 1 shall be the relation between the weight of fine gold contained in this unit of account and the weight of fine gold corresponding to the parity of such currency as declared to the International Monetary Fund. Should there be no declared parity, or should the rates of exchange applied to current payments differ from the parity by a margin greater than that authorized by the Monetary Fund, the weight of fine gold corresponding to the parity of the currency shall be calculated on the basis of the rate of exchange applied in the Member State, for current payments, on the date of the calculation, to a currency directly or indirectly defined and convertible into gold, and on the basis of the parity of that convertible currency as declared to the Monetary Fund.

Article 3

The unit of account, as defined in Article 1 above, shall remain unchanged throughout the whole effective duration of the Convention. However, if before the date of expiry of the Convention there should ensue a uniformly proportionate alteration in the parity of all currencies in relation to gold, by a decision of the International Monetary Fund, under Article 4, section 7 of its Statutes, then the weight of fine gold defining the unit of account shall vary in inverse ratio to such alteration.

If one or more Member States should not implement the decision of the International Monetary Fund referred to in the preceding paragraph, the weight of fine gold defining the unit of account shall vary in inverse ratio to the alteration decided upon by the International Monetary Fund. However, the Council of the European Economic Community shall examine the situation thus created and, on a proposal of the Commission and after obtaining the opinion of the Monetary Committee, shall take the necessary measures by qualified majority vote.

AGREEMENT CONCERNING PRODUCTS FALLING WITHIN THE
COMPETENCE OF THE EUROPEAN COAL AND STEEL COMMUNITY

His Majesty the King of the Belgians,
The President of the Federal Republic of Germany,
The President of the French Republic,
The President of the Republic of Italy,
Her Royal Highness the Grand Duchess of Luxembourg,
Her Majesty the Queen of the Netherlands,

Contracting Parties to the Treaty establishing the European Coal and Steel Community signed at Paris on 17 April 1951, whose States are hereinafter referred to as "Member States",

of the first part, and

His Majesty the Mwami of Burundi,
The President of the Federal Republic of Cameroon,
The President of the Central African Republic,
The President of the Republic of Chad,
The President of the Republic of the Congo (Brazzaville),
The President of the Congolese Republic (Leopoldville),
The President of the Republic of Dahomey,
The President of the Gabon Republic,
The President of the Republic of the Ivory Coast,
The President of the Republic of Madagascar,
The Head of State, President of the Council of Government of the Republic of Mali,
The President of the Islamic Republic of Mauritania,
The President of the Republic of Niger,
The President of the Republic of Rwanda,
The President of the Republic of Senegal,
The President of the Republic of Somalia,
The President of the Republic of Togo,
The President of the Republic of the Upper Volta,

whose States are hereinafter referred to as "Associated States",

of the second part,

HAVING REGARD to the Treaty establishing the European Coal and Steel Community,

HAVING REGARD to the Treaty establishing the European Economic Community with particular regard to Article 232 thereof.

TAKING INTO CONSIDERATION the fact that the Convention of Association between the European Economic Community and the African and Malagasy States associated with this Community signed on this day, does not apply to products falling within the competence of the European Coal and Steel Community,

BEING ANXIOUS however to maintain and increase trade in these products between the Member States and the Associated States,

HAVE AGREED, for the term of the Convention of Association, upon the following provisions:

Article 1

Subject to any measures which may be taken in implementation of Chapter X of the Treaty establishing the European Coal and Steel Community, products falling within the competence of this Community shall, if they originate in Associated States, benefit on importation into Member States from the total abolition of customs duties and charges having an effect equivalent to such duties.

Article 2

Without prejudice to the implementation of the provisions of Article 61 of the Convention of Association, the Associated States shall, in respect of such of the aforesaid products as originate in Member States, take steps to abolish customs duties and charges having an effect equivalent to such duties and also quantitative restrictions and measures having equivalent effect under terms analogous to those laid down in Chapter 1 of Title I and in Article 13, paragraph 1, of the Convention of Association, as also in Protocols Nos. 1 and 2 annexed thereto.

Article 3

The Parties concerned shall consult together whenever, in the opinion of the Parties, the application of the above provisions so requires.

Article 4

This Agreement shall not modify the powers and competences stemming from the provisions of the Treaty establishing the European Coal and Steel Community.

Article 5

This Agreement shall be approved by each Signatory State in conformity with its own constitutional requirements. The Government of each State shall notify the Secretariat of the Councils of the European Communities of the completion of the procedures required for the entry into force of this Agreement. This Agreement shall enter into force on the same date as the Convention of Association.

Article 6

This Agreement shall be concluded for a period of five years from the date of its entry into force. It shall cease to apply to any Signatory State which, under Article 62 of the Convention of Association, is no longer a Party to that Convention.

Article 7

The present Agreement, drawn up in a single original in the German, French, Italian and Netherlands languages, each of these texts being equally authentic, shall be deposited in the Archives of the Secretariat of the Councils of the European Communities which shall transmit a certified copy to the Government of each of the Signatory States.

FINAL ACT

The Plenipotentiaries of
His Majesty the King of the Belgians,
The President of the Federal Republic of Germany,
The President of the French Republic,
The President of the Republic of Italy,
Her Royal Highness the Grand Duchess of Luxembourg,
Her Majesty the Queen of the Netherlands,
and the Council of the European Economic Community

of the first part

and of His Majesty the Mwami of Burundi,
The President of the Federal Republic of Cameroon,
The President of the Central African Republic,
The President of the Republic of Chad,
The President of the Republic of the Congo (Brazzaville),
The President of the Congolese Republic (Leopoldville),
The President of the Republic of Dahomey,
The President of the Gabon Republic,
The President of the Republic of the Ivory Coast,
The President of the Republic of Madagascar,
The Head of State, President of the Council of Government of the Republic
of Mali,
The President of the Islamic Republic of Mauritania,
The President of the Republic of Niger,
The President of the Republic of Rwanda,
The President of the Republic of Senegal,
The President of the Republic of Somalia,
The President of the Republic of Togo,
The President of the Republic of the Upper Volta

of the second part,

being met at Yaoundé, on the twentieth day of July One thousand nine hundred
and sixty-three
for the purpose of signing the Convention of Association between the European
Economic Community and the African and Malagasy States associated with this
Community, have adopted the following texts:

the Convention of Association between the European Economic Community and the
African and Malagasy States associated with this Community, and the Annex
thereto,

the Protocols listed below:

1. Protocol No. 1 concerning the implementation of Article 3 of the Convention of Association,
2. Protocol No. 2 concerning the implementation of Article 6 of the Convention of Association,
3. Protocol No. 3 concerning the concept of "goods originating in ..." for the purpose of implementing the Convention of Association,
4. Protocol No. 4 relating to measures to be taken by the High Contracting Parties concerning their mutual interests with particular regard to tropical products,
5. Protocol No. 5 concerning the administration of the financial aids,
6. Protocol No. 6 concerning the operating expenses of the Institutions of the Association,
7. Protocol No. 7 concerning the value of the unit of account.

The Plenipotentiaries of the Member States and the Plenipotentiaries of the Associated African and Malagasy States have furthermore adopted the text of the Agreement concerning products falling within the competence of the European Coal and Steel Community.

The Plenipotentiaries of the Member States and the Plenipotentiaries of the Associated African and Malagasy States have also adopted the texts of the Joint Declarations listed below and annexed to the present Final Act:

1. Declaration by the Representatives of the Governments of the Member States and the Representatives of the Governments of the Associated States adopted on 19 December 1962, concerning transitional provisions for the period between 1 January 1963 and the date of the entry into force of the Convention of Association (Annex I).
2. Declaration by the Representatives of the Governments of the Member States and the Representatives of the Governments of the Associated States concerning the liberalization of payments (Annex II).

3. Declaration by the Representatives of the Governments of the Member States and the Representatives of the Governments of the Associated States relating to Protocol No. 5 annexed to the Convention of Association (Annex III).

The Plenipotentiaries of the Associated African and Malagasy States have also noted the decisions and declarations listed below and annexed to the present Final Act:

1. Decision of the Representatives of the Governments of the Member States, meeting within the Council, on the use of the balance of the Development Fund for the Overseas Countries and Territories (Annex IV).
2. Decision of the Representatives of the Governments of the Member States, meeting within the Council, on assigning additional aid to the Republic of Somalia, to be drawn on the balance of the Development Fund for the Overseas Countries and Territories (Annex V).
3. Declaration by the Representatives of the Governments of the Member States concerning a review of financial aid at the end of the three years following the entry into force of the Convention of Association (Annex VI).
4. Declaration by the Representatives of the Governments of the Member States concerning nuclear products (Annex VII).
5. Declaration by the Representatives of the Governments of the Member States concerning increased consumption of goods originating in Associated States (Annex VIII).
6. Declaration by the Representatives of the Governments of the Member States concerning the tariff quota for imports of bananas (Annex IX).
7. Declaration by the Representative of the Government of the Federal Republic of Germany concerning the definition of German nationals (Annex X).
8. Declaration by the Representative of the Government of the Federal Republic of Germany concerning the application of the Convention of Association to Berlin (Annex XI).

ANNEXESANNEX I

Declaration by the Representatives
of the Governments of the Member States
and the Representatives of the Governments of the Associated States,
adopted on 19 December 1962,
concerning transitional provisions for the period between
1 January 1963 and
the date of entry into force of the Convention of Association

The Representatives of the Governments of the Member States and the Representatives of the Governments of the Associated States, acting within the scope of their respective Government's authority, record their agreement on the following provisions which shall apply during the period between 1 January 1963 and the date of the entry into force of the new Convention of Association but not later than 31 December 1963.

1. The Member States and the Associated States shall proceed with the abolition amongst themselves of customs duties and charges having an effect equivalent to such duties in accordance with the system in force on 31 December 1962.
2. Import quotas imposed in Associated States on goods originating in Member States, and in Member States on goods originating in Associated States, shall remain at the level fixed for the year 1962, as it resulted from application of the Treaty, subject to such provisions as may be adopted by the European Economic Community within the framework of the common agricultural policy.
3. When drawing up the common agricultural policy, the Community shall take the interests of the Associated States into consideration as regards products which are similar to and competitive with European products. The Community and the Associated States concerned shall consult together for this purpose.
4. The system governing the right of establishment as it resulted from application of the Treaty on 31 December 1962 shall continue unchanged.
5. The Signatory Parties to the new Convention of Association shall refrain from taking any measures which would be contrary to the said Convention.

The Representatives of the Governments of the Member States and the Representatives of the Governments of the Associated States which are Signatories to the said Convention will consult together as necessary on the provisions to be applied after 31 December 1963.

ANNEX II

Declaration by the Representatives of the Governments
of the Member States
and the Representatives of the Governments
of the Associated States
concerning the liberalization of payments

The Governments of the Member States and the Governments of the Associated States will endeavour, within the limits of their powers therein, to liberalize the payments covered by Article 35 of the Convention, beyond the degree provided for in that Article in so far as their economic situation in general and the state of their balance of payments in particular permit them to do so.

ANNEX III

Declaration by the Representatives
of the Governments of the Member States
and the Representatives of the Governments of the Associated States
relating to Protocol No. 5 annexed to the Convention of Association

The Governments of the Member States and of the Associated States,

Having regard to the provisions of Article 17, paragraph 3, of the Convention and the provisions of Protocol No. 5 and in particular Article 23 thereof,

Note the timetable annexed below, upon which the Contracting Parties concerned have agreed, setting out the dates on which, progressively and from this time until the expiry of the said Convention, certain products shall be marketed at world prices.

Timetable for the introduction
of marketing at world prices

1. For dessicated coconut, pepper, palm oil, cotton and gum arabic, at the opening of the 1963/1964 season.
 2. For rice and sugar, as soon as the common agricultural policy on these products is implemented.
 3. For oil-seeds and oleaginous fruit, as soon as the common agricultural policy on these products is implemented and not later than the beginning of the 1964/1965 season.
 4. For coffee, marketing at competitive prices shall be progressively introduced from the opening date of the season beginning in the second half of 1963; it shall be in full operation not later than the opening date of the season beginning in the second half of 1967. The yearly rate of progressive approximation to world prices shall be within the range of 15% to 35%. The Association Council shall consider what rate is to be applied at the beginning of each season.
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ANNEX IV

Decision of the Representatives of
the Governments of the Member States,
meeting within the Council,
on the use of the balance of the
Development Fund
for the Overseas Countries and Territories

Resources of the Development Fund for the Overseas Countries and Territories which had not yet been appropriated on 31 December 1962 shall continue to be used for the benefit of the Associated African and Malagasy States as well as the dependent associated overseas countries and territories and the French overseas departments, under the terms laid down in the Implementing Convention annexed to the Treaty and in the regulations in force at that date.

ANNEX V

Decision of the Representatives of
the Governments of the Member States,
meeting within the Council,
on assigning additional aid
to the Republic of Somalia, to be drawn on
the balance of the Development Fund
for the Overseas Countries and Territories

In order to take into consideration a wish expressed by the Representatives of the Associated African and Malagasy States, the Representatives of the Governments of the Member States, meeting within the Council, record their agreement that the Commission be authorised to adopt for financing by the Development Fund for the Overseas Countries and Territories additional projects to be carried out in the Republic of Somalia. The funds required for such financing shall be drawn on the credits set out in the second line of the table in Annex B of the Implementing Convention annexed to the Treaty.

ANNEX VI

Declaration by the Representatives of the Governments
of the Member States
concerning a review of financial aid at the end of the
three years following the entry into force of
the Convention of Association

The Governments of the Member States of the European Economic Community,

Without thereby envisaging the premature negotiation of a new Convention,

Agree to review the financial aids at the end of the three-year period
following the entry into force of this Convention, for the purpose of revealing
their imperfections, and to take such decisions as may prove necessary in the
light of experience gained during that period.

ANNEX VII

Declaration by the Representatives
of the Governments of the Member States
concerning nuclear products

It follows from the combined provisions of the Treaty establishing the European Atomic Energy Community, and the Treaty establishing the European Economic Community, that the provisions of Title I of the new Convention of Association apply to the goods and products covered by Articles 92 onwards of the Treaty establishing the European Atomic Energy Community.

ANNEX VIII

Declaration by the Representatives
of the Governments of the Member States
concerning increased consumption of
goods originating in Associated States

The Member States will study ways and means to promote increased
consumption of goods originating in the Associated States.

ANNEX IX

Declaration by the Representatives
of the Governments of the Member States
concerning the tariff quota
for imports of bananas

If the quantities required by the Federal Republic of Germany exceed the tariff quota granted to her by virtue of the Protocol concerning the tariff quota for imports of bananas (ex 08.01 in the Brussels Nomenclature), signed by the Member States on 25 March 1957, the exporting Associated States will be consulted as to their ability to furnish, on appropriate terms, all or part of the quantities required by the Federal Republic of Germany.

ANNEX X

Declaration by the Representative of the Government
of the Federal Republic of Germany
concerning the definition of German nationals

All Germans within the meaning of the Basic Law for the Federal Republic
of Germany shall be deemed to be nationals of the Federal Republic of Germany.

ANNEX XI

Declaration by the Representative of the Government
of the Federal Republic of Germany
concerning the application of the Convention of
Association to Berlin

The Convention of Association shall apply equally to Land Berlin, in so far as the Government of the Federal Republic of Germany does not make a declaration to the contrary to the other Contracting Parties within a period of three months from the entry into force of the Convention.
