

Agreement Establishing the Lake Chad Basin Commission Development Fund

[Yaounde, October 22nd, 1972]

Preamble:

The Governments of the United Republic of Cameroon, the Republic of Chad, the Republic of Niger, and the Federal Republic of Nigeria,

in pursuance of the objectives of the Convention and Statute of 22nd May, 1964, establishing the Lake Chad Basin Commission:

Noting with satisfaction the orientation of the Commission's activities towards concrete development projects;

Recognising the need to provide, as much as possible, from their own resources, the means of financing the Commission's development projects;

Determined to reinforce and increase economic cooperation among their countries for the common benefit of their peoples;

have agreed as follows:

Article 1:

Definitions:

For the purposes of this Agreement:

- (1) The term "Commission" shall mean the Lake Chad Basin Commission.
- (2) The term "Convention" shall mean the Convention relating to the development of the Lake Chad Basin of 22nd May, 1964.
- (3) The term "Statute" shall mean the Statute relating to the development of the Lake Chad Basin of 22nd May, 1964.
- (4) The term "Rules of Procedure" shall mean the Rules of Procedure of the Lake Chad Basin Commission.
- (5) The term "Development Fund" shall mean the Development Fund of the Lake Chad Basin Commission.
- (6) The term "Member States" shall mean the members of the Lake Chad Basin Commission who are automatically Parties to this Agreement.
- (7) The term "National Budget" shall mean the total budget of Member States.
- (8) The term "Unit of Account" shall mean the equivalent of 0.81851265 gramme of fine gold (approximately US \$ 1).

Article II:

The Member States signatories to this Agreement hereby establish a Development Fund to be known as the Lake Chad Basin Commission Development Fund.

Article III:

Each Member State shall contribute annually to the Development Fund 1/1000th of its national annual budget.

(2) Each Member State may limit its annual contribution to 750,000 units of account, if its contribution for the year, calculated on the basis of 1/1000th of its national annual budget exceeds that amount.

(3) Any Member State whose contribution, calculated on the basis of 1/1000th of its national budget is less than 30,000 units of account, shall pay a minimum contribution of 30,000 units of account.

(4) At the request of the Executive Secretary, the ceiling and floor of the contribution shall be reviewed by the Commission as often as necessary in order to provide for normal rise in costs of equipments and services.

(5) Contributions to the Development Fund shall be made in convertible currencies which shall be converted into the Commission's unit of account, which shall be equivalent to 0.81851265 gramme of fine gold.

(6) Each Member State shall release its contribution to the Commission immediately after its budget has been voted.

(7) The Executive Secretary shall continue his efforts to obtain loans and grants from other sources for the execution of projects of the Commission.

Article IV:

Disbursements from the Development Fund shall be made, according to the Commission's Financial Regulations, exclusively for:

(a) the planning, implementation and maintenance of specific development projects deemed important and approved by the Commission;

(b) the settlement of obligations such as the repayment of loans contracted by the Commission or the payment of interest thereon; and

(c) meeting other financial obligations which the Commission deems necessary for the achievement of the aims for which the Fund is established.

Article V:

The resources of the Fund which are not immediately needed for projects may, with the approval of the Commission, be deposited with banking institutions which offer the best

advantages. Any interest accruing from such investments shall be credited to the Development Fund.

Article VI:

Any Member State who wishes to withdraw from the present Agreement shall do so in accordance with the provisions of Article V of the Convention.

Article VII:

Any Member State may propose an amendment to this Agreement. Such an amendment shall take effect upon the unanimous approval of Member States.

Article VIII:

Any dispute concerning the interpretation or application of this Agreement which cannot be resolved by the Commission, shall be referred by any of the Contracting Parties to the Commission of Mediation, Conciliation and Arbitration of the Organisation of African Unity, for determination. The Executive Secretary of the Commission shall be informed of any such action by the Contracting Parties.

Article IX:

- (1) This Agreement shall be subject to ratification by Member States.
- (2) The Instruments of Ratification shall be deposited with the Government of the Republic of Chad which shall notify the other Member States of such deposit.
- (3) This Agreement shall enter into force immediately upon the receipt by the Government of the Republic of Chad of the last Instrument of Ratification.

Article X:

This Agreement shall, after due ratification, be deposited by the Government of the Republic of Chad with the Secretariat of the Organisation of African Unity and registered with the Secretariat of the United Nations Organisation.

Done at Yaounde on the 22nd of October 1972 in four originals each in the English and French languages, both texts being equally authentic.

In Faith Whereof, We, the Heads of States and Governments, bordering the Lake Chad Basin, have signed this Agreement.

H. E. El Hadj Ahmadou Ahidjo

President of the United Republic of Cameroon

H. E. Mr. Fran Tombalbaye

President of the Republic of Chad

H. E. El Hadj Diori Hamani

President of the Republic of Niger

H. E. General Yakubu Gowon

Head of the Federal Military Government of Nigeria