

to define two different types of credit in France, where "financial credits" refers to long-term credits granted by French credit institutions to the foreign beneficiaries of French export credits to enable them to finance the down payments involved in export contracts with French suppliers and local expenditures incurred in connexion with the installation of the equipment purchased, such as the execution of civil engineering works by local contractors or the purchase of supplementary material or equipment produced by local firms. Although the "financial credits" are guaranteed by the Compagnie française d'assurance pour le commerce extérieur (COFACE), no refinancing facilities are available.

152. The French Government grants loans for purposes similar to those of the private financial credits. Such loans are granted on behalf of the Government by the Caisse centrale de coopération économique for the countries which have signed an *accord de coopération* with France and by the Crédit national for other foreign countries.

TABLE 28.—FINANCIAL PROTOCOLS ASSOCIATING LONG-TERM SUPPLIERS' CREDITS AND GOVERNMENTAL LOANS SIGNED BY FRANCE WITH DEVELOPING COUNTRIES AS OF SEPT. 30, 1966

[Amounts in millions of French francs]

Country	Date of protocol	Governmental loans	Suppliers' credits
Mexico ¹	June 21, 1963	150.0	600.0
Morocco	July 23, 1963	40.0	100.0
Tunisia	Aug. 9, 1963	35.0	100.0
Spain	Nov. 25, 1963	150.0	600.0
Turkey	Feb. 13, 1964	41.0	82.0
Cambodia	July 4, 1964	50.0	90.0
Ethiopia	do	15.0	40.0
Greece	Aug. 20, 1964	41.0	82.0
Turkey	Oct. 13, 1964	16.6	33.4
Morocco	Oct. 17, 1964	60.0	120.0
Morocco	July 10, 1965	65.0	130.0
Chile	Feb. 8, 1966	53.0	246.0
Bolivia	July 8, 1966	5.0	9.3

¹ The protocol with Mexico also included a private financial credit.

153. As noted, the French export credit system involves the *banques de dépôt*, the *banques d'affaires*, the Banque française du commerce extérieur, the Crédit national, the Banque de France, the Groupement interbancaire pour le commerce extérieur and the Caisse centrale de coopération économique.

The deposit banks

154. There are approximately 300 deposit banks in France, but the three nationalized deposit banks, namely, the Crédit lyonnais, the Société générale, and the Banque nationale de Paris, account for about two-thirds of total banking business. The deposit banks bear most of the responsibility for the financing of short-term export credits, although they may, if necessary, have recourse to the refinancing facilities made available by the Banque de France.

155. In the case of medium-term and long-term export credits, the deposit banks rely upon the refinancing facilities provided by the Crédit national and the Groupement interbancaire pour le Commerce extérieur. Given the nature of the bulk of their resources (funds received from the public repayable either on demand or on a time basis, which according to law cannot exceed two years), the deposit banks are obliged to maintain a certain liquidity coefficient (at least 30 percent of cash, treasury bills and other account receivable) and cannot immobilize large amounts for long periods of time. In the medium-term and long-term export credit financing fields, the deposit banks thus act largely as intermediaries, but their role is far from negligible, since they are responsible for screening loan applications, assessing the credit-worthiness of potential suppliers and buyers and grouping and discounting export bills from numerous individual exporters, thus to a certain extent simplifying the work of the Crédit national and the Groupement interbancaire pour le commerce extérieur.

The banques d'affaires

156. There are approximately forty French *banques d'affaires*, which take the form of limited liability companies or partnerships. According to the Act of 17 May 1946, the *banques d'affaires* are defined as institutions whose principal activity is the acquisition and administration of shares in ventures which al-