



Treaty Series No. 51 (1988)

Exchange of Notes

between the Government of the
United Kingdom of Great Britain and Northern Ireland
and the Government of the Republic of The Gambia

concerning Certain Commercial Debts
(the United Kingdom/Gambia Debt Agreement
No. 1 (1986))

Banjul, 29 June and 8 July 1987

[The Agreement entered into force on 8 July 1987]

*Presented to Parliament
by the Secretary of State for Foreign and Commonwealth Affairs
by Command of Her Majesty
August 1988*

LONDON
HER MAJESTY'S STATIONERY OFFICE
£1.60 net

**EXCHANGE OF NOTES
BETWEEN THE GOVERNMENT OF THE UNITED KINGDOM OF GREAT
BRITAIN AND NORTHERN IRELAND AND THE GOVERNMENT OF THE
REPUBLIC OF THE GAMBIA CONCERNING CERTAIN COMMERCIAL DEBTS
(THE UNITED KINGDOM/GAMBIA DEBT AGREEMENT NO. 1 (1986))**

No. 1

*The United Kingdom High Commissioner at Banjul to the Minister of Finance and Trade of
the Republic of The Gambia*

*Banjul
29 June 1987*

Note No. 19

Your Excellency

I have the honour to refer to the agreed minute on the consolidation of the debt of the Republic of The Gambia which was signed at the Conference held in Paris on 19 September 1986 and to inform Your Excellency that the Government of the United Kingdom of Great Britain and Northern Ireland is prepared to provide debt relief to the Government of the Republic of The Gambia on the terms and conditions set out in the attached Annex.

If these terms and conditions are acceptable to the Government of the Republic of The Gambia I have the honour to propose that this Note, together with its Annex and your reply to that effect shall constitute an agreement between the two governments in this matter which shall be known as "The United Kingdom/Gambia Debt Agreement No. 1 (1986)" and which shall enter into force on the date of your reply.

I have the honour to convey to Your Excellency the assurance of my highest consideration.

J D GARNER

ANNEX

SECTION 1

Definitions and Interpretation

- (1) In this Annex, unless the contrary intention appears:
 - (a) "Agreed Minute" means the Agreed Minute on the Consolidation of the Debt of the Republic of The Gambia which was signed at the Conference held in Paris on 19 September 1986;
 - (b) "the Bank" means the Central Bank of The Gambia;
 - (c) "Contract" means a contract entered into before 1 July 1986, the parties to which include a Debtor and a Creditor and which is either for the sale of goods and/or services from outside The Gambia to a buyer in The Gambia or is in respect of the financing of such a sale;
 - (d) "Creditor" means a person or body of persons or corporation resident or carrying on business in the United Kingdom or any successor in title thereto;
 - (e) "Currency of the Debt" means the currency specified in the relevant Contract as being the currency in which that Debt is to be paid;
 - (f) "Debt" means any debt to which, by virtue of the provisions of Section 2(1), the provisions of this Annex apply;
 - (g) "Debtor" means the Government of The Gambia (whether as primary debtor or as guarantor) or any person or body of persons or corporation resident or carrying on business in The Gambia or any successor in title thereto;
 - (h) "the Department" means the Secretary of State of the Government of the United Kingdom acting through the Export Credits Guarantee Department or any other Department of the Government of the United Kingdom which that Government may subsequently nominate for the purposes hereof;
 - (i) "the Government of The Gambia" means the Government of the Republic of The Gambia;
 - (j) "the Government of the United Kingdom" means the Government of the United Kingdom of Great Britain and Northern Ireland;
 - (k) "Maturity" in relation to a Debt means the due date for the payment or repayment thereof under the relevant Contract or on a promissory note or bill of exchange drawn up pursuant thereto;
 - (l) "Reference Rate" means the rate quoted to the Department by the Reference Bank (being a bank to be agreed upon by the Department and the Bank) at which six-month sterling deposits are offered to that Reference Bank by prime banks in the London interbank market at 11 am (London Time) two business days before 31 July and 31 January in each year;
 - (m) "United Kingdom" means the United Kingdom of Great Britain and Northern Ireland and for the purposes of Section 1(1)(d) and Section 8, includes the Channel Islands and the Isle of Man.
- (2) All references to interest, excluding contractual interest, shall be to interest accruing from day to day and calculated on the basis of actual days elapsed and a year of 365 days.
- (3) Where the context of this Annex so allows words importing the singular include the plural and vice-versa.
- (4) Unless otherwise indicated reference to a specified Section shall be construed as a reference to that specified Section of this Annex.
- (5) The headings to the Sections are for ease of reference only.

SECTION 2

The Debt

(1) The provisions of this Annex shall, subject to the provisions of paragraph (2) of this Section and paragraph 3, Section IV, of the Agreed Minute apply to any amount, whether of principal or of contractual interest accruing up to Maturity, owed by a Debtor to a Creditor and which:

- (a) arises under or in relation to a Contract or any agreement supplemental thereto;
- (b) fell due or will fall due on or before 30 September 1987 and remains unpaid;
- (c) is guaranteed by the Department as to payment according to the terms of the Contract;
- (d) is not expressed by the terms of the Contract to be payable in dalasis; and
- (e) does not arise from an amount payable upon or as a condition of the formation of the Contract or as a condition of the cancellation or termination of the Contract.

(2) The Department and the Bank shall, as soon as possible, agree and draw up a list of Debts ("the Debt List") to which, by virtue of the provisions of this Section, this Annex applies. The Debt List may be reviewed from time to time at the request of the Department or of the Bank but may not be added to or amended without the agreement of both the Department and the Bank. Delay in the completion of the Debt List shall not prevent or delay the implementation of the other provisions of this Annex.

SECTION 3

Payments in Dalasis in Respect of Debts

The Government of the Republic of The Gambia shall take the relevant administrative measures or extend existing measures to ensure that the private debtors in The Gambia shall be permitted to pay into the Central Bank of The Gambia or its designated agents the local currency counterpart of their obligations past due or falling due corresponding to their debt of any nature owed to or guaranteed by the Department. The payment of all such Debts by the Government of The Gambia to the Department shall be made in accordance with the provisions of Section 4.

SECTION 4

Transfer Scheme

The Government of The Gambia shall pay to the Department in accordance with the provisions of Section 6(1) the following:

- (a) in respect of each Debt provided for in this Annex which fell due on or before 30 September 1986 and which remains unpaid:
100 per cent by 10 equal and consecutive half-yearly instalments on 31 March and 30 September each year commencing on 30 September 1991.
- (b) in respect of each Debt provided for in this Annex which fell due or will fall due between 1 October 1986 and 30 September 1987 and which remains unpaid:
100 per cent by 10 equal and consecutive half-yearly instalments on 31 March and 30 September each year commencing on 30 September 1992.

SECTION 5

Interest

(1) Interest on the balance of each Debt shall be deemed to have accrued and shall accrue during, and shall be payable in respect of, the period from Maturity until the settlement of that Debt by payment to the Department as aforesaid.

(2) The Government of The Gambia shall be liable for and shall pay to the Department in accordance with the provisions of Section 6(1) and of this Section, interest on each Debt to the extent that it has not been settled by payment to the Department, in the United Kingdom, pursuant to Section 4. Such interest shall be paid and transferred to the Department half-yearly on 31 July and 31 January each year commencing on 31 July 1987.

(3) If any amount of interest payable in accordance with the provisions of paragraph (1) of this Section is not paid on the due date for payment thereof, the Government of The Gambia shall be liable for and shall pay to the Department interest on such amount of overdue interest. Such additional interest shall accrue from day to day from the due date for payment thereof in accordance with the provisions of paragraph (1) of this Section to the date of receipt of the payment by the Department and shall be due and payable without further notice or demand of any kind.

(4) All interest payable in accordance with the provisions of this Section shall be paid at the rate of 0.5 per cent above the Reference Rate for the period in question.

SECTION 6

Payments to the Department

(1) As and when payments become due under the terms of Sections 4 and 5, the Government of The Gambia shall:

- (a) in the first instance, draw upon the special account at the Bank of England as referred to in paragraph 4 Section IV of the Agreed Minute to meet such payments; and
- (b) arrange for the necessary amounts to be paid and transferred in the Currency of the Debt to the Department in the United Kingdom to an account, details of which shall be notified by the Department to the Government of The Gambia. In this respect the Department shall be regarded as acting as agent for each Creditor concerned.

(2) The Government of The Gambia shall give the Department full particulars of the Debts and/or interest to which the transfers relate.

SECTION 7

Exchange of Information

The Department and the Government of The Gambia shall exchange all information required for the implementation of this Annex.

SECTION 8

Other Debt Settlements

(1) The Government of The Gambia undertakes to comply with the conditions of Section III, paragraphs 1-4 and 8-9 of the Agreed Minute and agrees to accord to the United Kingdom terms no less favourable than agreed with any other creditor country notwithstanding any provisions of this Annex to the contrary.

(2) The provisions of paragraph (1) of this Section shall not apply to matters relating to the payment of interest determined by Section 5.

SECTION 9

Preservation of Rights and Obligations

This Annex and its implementation shall not affect the rights and obligations of any Creditor or Debtor under a Contract, other than those rights and obligations in respect of which the parties hereto are authorised to act respectively on behalf of, and to bind, such Creditor and Debtor.

No. 2

*The Minister of Finance and Trade of the Republic of The Gambia to the United Kingdom
High Commissioner at Banjul*

*Banjul
8 July 1987*

Your Excellency

I have the honour to acknowledge receipt of Your Excellency's Note No. 19 of 29 June 1987 which reads as follows:

[As in No.1]

2. I have the honour to confirm that the terms and conditions set out in the Annex of your Note are acceptable to the Government of the Republic of The Gambia and that your Note, together with its Annex and this reply shall constitute an Agreement between our two Governments in this matter which shall be known as "The United Kingdom/Gambia Debt Agreement No. 1 (1986)" and which shall enter into force today.

3. I have the honour to convey to Your Excellency the assurance of my highest consideration.

SHERIFF S. SISAY

[Annex as in No. 1]



HMSO publications are available from:

HMSO Publications Centre

(Mail and telephone orders only)

PO Box 276, London SW8 5DT

Telephone orders 01-622 3316

General enquiries 01-211 5656

(queuing system in operation for both numbers)

HMSO Bookshops

49 High Holborn, London, WC1V 6HB 01-211 5656 (Counter service only)

258 Broad Street, Birmingham, B1 2HE 021-643 3740

Southey House, 33 Wine Street, Bristol, BS1 2BQ (0272) 264306

9-21 Princess Street, Manchester, M60 8AS 061-834 7201

80 Chichester Street, Belfast, BT1 4JY (0232) 238451

71 Lothian Road, Edinburgh, EH3 9AZ 031-228 4181

HMSO's Accredited Agents

(see Yellow Pages)

and through good booksellers