



Treaty Series No. 70 (2000)

## Exchange of Notes

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

### concerning Certain Commercial Debts (United Kingdom/Uganda Debt Agreement No. 5 (1992))

Kampala, 11 May and 22 June 1993

[The Agreement entered into force on 22 June 1993]

*Presented to Parliament  
by the Secretary of State for Foreign and Commonwealth Affairs  
by Command of Her Majesty  
July 2000*

**© Crown Copyright 2000**

The text in this document may be reproduced free of charge in any format or media without requiring specific permission. This is subject to the material not being used in a derogatory manner or in a misleading context. The source of the material must be acknowledged as Crown copyright and the title of the document must be included when being reproduced as part of another publication or service.

Any enquiries relating to the copyright in this document should be addressed to HMSO, The Copyright Unit, St Clements House, 2-16 Colegate, Norwich NR3 1BQ. Fax: 01603 723000 or e-mail: [copyright@hmso.gov.uk](mailto:copyright@hmso.gov.uk)

---

**EXCHANGE OF NOTES BETWEEN THE GOVERNMENT OF THE  
UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND  
AND THE GOVERNMENT OF THE REPUBLIC OF UGANDA CONCERNING  
CERTAIN COMMERCIAL DEBTS (UNITED KINGDOM/UGANDA  
DEBT AGREEMENT NO. 5 (1992))**

**No. 1**

*The British High Commissioner at Kampala to the Minister of Finance and Economic  
Planning of the Republic of Uganda*

*British High Commission  
Kampala  
11 May 1993*

Dear Minister,

I have the honour to refer to the Agreed Minute on the Consolidation of the Debt of the Republic of Uganda which was signed at the Conference held in Paris on 17 June 1992, and to inform your Excellency that my Government are prepared to provide debt relief to the Government of the Republic of Uganda 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 Uganda, I have the honour to propose that this Note together with its Annex, and your reply to that effect, shall constitute an Agreement between our two Governments in this matter which shall be known as "The United Kingdom/Uganda Debt Agreement No. 5 (1992)" 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.

C. A. K. CULLIMORE

## ANNEX

### SECTION 1

#### Definitions and Interpretation

- (1) In this Annex, unless the contrary intention appears:
- (a) “the Agreed Minute” means the Agreed Minute on the Consolidation of the Debt of the Republic of Uganda which was signed at the Conference held in Paris on 17 June 1992;
  - (b) “Appropriate Market Rate” means the Reference Rate plus a margin of 0.5 per cent;
  - (c) “the Bank” means the Bank of Uganda or any other institution which the Government of Uganda may nominate for the purposes of this Annex;
  - (d) “Business Day” means a day on which dealings are carried on in the London Interbank Market and (if payment is required to be made on such day) on which banks are open for domestic and foreign exchange business in London in the case of sterling and in both London and New York City in the case of US dollars;
  - (e) “the Consolidation Period” means the period from 1 July 1992 to 30 November 1993 inclusive;
  - (f) “Currency of the Debt” means the currency specified in the Previous Agreements and the Fourth Agreement as being the currency in which that Debt is to be paid;
  - (g) “Debt” means any debt to which, by virtue of the provisions of Section 2, the provisions of this Annex apply;
  - (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 the Secretary of State may subsequently nominate for the purpose hereof;
  - (i) “the Fourth Agreement” means the Agreement between the Government of the United Kingdom and the Government of Uganda on Certain Commercial Debts signed on 11 December 1989;<sup>1</sup>
  - (j) “Maturity” means the date for payment specified in the Previous Agreements or the Fourth Agreement as the case may be;
  - (k) “the Previous Agreements” means the Agreements between the Government of the United Kingdom and the Government of Uganda on Certain Commercial Debts signed on 17 June 1983<sup>2</sup>, 10 November 1983<sup>3</sup> and 5 May 1988<sup>4</sup> respectively;
  - (l) “Reference Rate” means the rate (rounded upwards where necessary to the nearest multiple of 1/16th (one sixteenth) of one per cent) quoted to the Department by a bank to be agreed upon by the Department and the Bank as the rate at which that bank is offering six-month eurodollar deposits, in the case of a Debt denominated in US dollars, or six-month sterling deposits, in the case of a Debt denominated in sterling, in the London Interbank Market at 11 am (London time) two Business Days before the commencement of the relevant interest period;
  - (m) “the United Kingdom” means the United Kingdom of Great Britain and Northern Ireland;
  - (n) “Uganda” means the Republic of Uganda.

---

<sup>1</sup> Treaty Series No. 76 (1990) Cm 1252.

<sup>2</sup> Treaty series No. 63 (1983) Cmnd 9051.

<sup>3</sup> Treaty Series No. 8 (1984) Cmnd 9141.

<sup>4</sup> Treaty Series No. 67 (1988) Cm 482.

(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 360 days, in the case of Debts denominated in US dollars, and 365 days, in the case of Debts denominated in sterling.

(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 Section of this Annex.

(5) The headings to the Sections are for ease of reference only.

## SECTION 2

### **The Debt**

The provisions of this Annex shall, subject to the provisions of Article IV paragraph 4 of the Agreed Minute, apply to:

- (a) any amount, whether of principal or of interest (including interest accrued on interest), payable under the Previous Agreements which fell due on or before 30 June 1992 and which remains unpaid;
- (b) any amount, whether of principal or of interest, payable under the Previous Agreements which has fallen due or will fall due during the Consolidation Period and which remains unpaid;
- (c) any amount of interest (including interest accrued on interest), payable under the Fourth Agreement which fell due on or before 30 June 1992 and which remains unpaid; and
- (d) any amount of interest payable under the Fourth Agreement which has fallen due or will fall due during the Consolidation Period and which remains unpaid.

## SECTION 3

### **Payments under the Previous Agreements and the Fourth Agreement**

The provisions of the Previous Agreements and the Fourth Agreement insofar as they relate to the payment of any Debt shall cease to apply upon the entry into force of this Agreement.

## SECTION 4

### **Payment of Debt**

(1) The Government of Uganda shall pay to the Department, in accordance with the provisions of Section 6(1), each Debt specified in Sections 2(a) and 2(b) on the following dates and in the following percentages:

<i>Repayment Date</i>	<i>Percentage to be repaid</i>
15 March 1993	0.85
15 September 1993	0.89
15 March 1994	0.94
15 September 1994	0.98
15 March 1995	1.02
15 September 1995	1.07
15 March 1996	1.11
15 September 1996	1.16
15 March 1997	1.21
15 September 1997	1.26
15 March 1998	1.31
15 September 1998	1.36
15 March 1999	1.41
15 September 1999	1.47
15 March 2000	1.52
15 September 2000	1.58
15 March 2001	1.64
15 September 2001	1.70
15 March 2002	1.76
15 September 2002	1.82
15 March 2003	1.88
15 September 2003	1.95
15 March 2004	2.01
15 September 2004	2.08
15 March 2005	2.15
15 September 2005	2.22
15 March 2006	2.29
15 September 2006	2.36
15 March 2007	2.44
15 September 2007	2.51
15 March 2008	2.59
15 September 2008	2.67
15 March 2009	2.75
15 September 2009	2.84
15 March 2010	2.92
15 September 2010	3.00
15 March 2011	3.10
15 September 2011	3.19
15 March 2012	3.28
15 September 2012	3.37
15 March 2013	3.47
15 September 2013	3.57
15 March 2014	3.67
15 September 2014	3.77
15 March 2015	3.87
15 September 2015	3.99.

(2) The Government of Uganda shall also pay the Department, in accordance with the provisions of Section 6(1), 100 percent of each Debt specified in Sections 2(c) and 2(d) in 10 equal and consecutive half-yearly instalments commencing 15 March 2000.

## 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.
- (2) The Government of Uganda 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. Such interest shall be paid to the Department first on 15 March 1993 and then half-yearly on 15 March and 15 September (the "Due Dates") each year.
- (3) All interest accruing up to each Due Date in respect of Debts specified in Sections 2(a) and 2(b) shall be paid at the Appropriate Market Rate (reduced by the percentage specified in Schedule 1) applicable to each half-yearly interest period commencing with the half-yearly interest period within which the Maturity of the Debt concerned occurs.
- (4) All interest accruing up to each Due Date in respect of Debts specified in Sections 2(c) and 2(d) shall be paid at the Appropriate Market Rate applicable to each half-yearly interest period commencing with the half-yearly interest period within which the Maturity of the Debt concerned occurs.
- (5) If any amount of interest payable in accordance with the provisions of paragraph (2) of this Section is not paid on the applicable Due Date the Government of Uganda shall be liable for and shall pay to the Department interest on such amount of overdue interest. Such additional interest shall accrue at the Appropriate Market Rate from day to day from the applicable Due Date to the date of receipt of the payment by the Department, and shall be due without further notice or demand.

## SECTION 6

### Payments to the Department

- (1) When payment becomes due under the terms of Section 4 or 5, the Bank shall arrange for the necessary amounts, without deduction of taxes, fees, other public charges or any other costs accruing inside or outside Uganda, to be paid in the Currency of the Debt to an account notified by the Department to the Bank.
- (2) If the day on which such a payment falls due is not a Business Day payment shall be made on the nearest Business Day.
- (3) The Bank shall give the Department full particulars of the Debts and/or interest to which the payments relate.

## SECTION 7

### Exchange of Information

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

## SECTION 8

### Other Debt Settlements

- (1) The Government of Uganda undertakes to perform its obligations under Article III of the Agreed Minute and agrees to accord to the United Kingdom terms no less favourable than those agreed with any other creditor, notwithstanding any provision 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**

### **Debt Conversion Option**

**The Department agrees to give prior notification to the Government of Uganda if it intends to exercise the option provided for in Article II paragraph 3 of the Agreed Minute. The Department also recognises that this option can only be implemented with the consent of the Government of Uganda.**



**No. 2**

*The Minister of Finance and Economic Planning of the Republic of Uganda to the British High Commissioner at Kampala*

*Kampala  
22 June 1993*

Your Excellency,

I have the honour to acknowledge receipt of Your Excellency's Note of 11th May, 1993, the Annex to which reads as follows:

**[As in No. 1]**

I have the honour to confirm that the terms and conditions set out in the Annex to your Note are acceptable to the Government of the Republic of Uganda, and that your Note together with its Annex, and this reply, shall constitute an Agreement between the two Governments in this matter which shall be known as "The United Kingdom/Uganda Debt Agreement No. 5 (1992)" and which shall enter into force today.

I avail myself of this opportunity to renew to Your Excellency the assurances of my highest consideration.

**J. S. MAYANJA-NKANGI**



**Published by The Stationery Office Limited**  
and available from:

**The Stationery Office**

(Mail, telephone and fax orders only)

PO Box 29, Norwich NR3 1GN

General enquiries 0870 600 5522

Order through the Parliamentary Hotline *Lo-call* 0845 7 023474

Fax orders 0870 600 5533

Email [book.orders@theso.co.uk](mailto:book.orders@theso.co.uk)

Internet <http://www.ukstate.com>

**The Stationery Office Bookshops**

123 Kingsway, London WC2B 6PQ

020 7242 6393 Fax 020 7242 6394

68-69 Bull Street, Birmingham B4 6AD

0121 236 9696 Fax 0121 236 9699

33 Wine Street, Bristol BS1 2BQ

0117 9264306 Fax 0117 9294515

9-21 Princess Street, Manchester M60 8AS

0161 834 7201 Fax 0161 833 0634

16 Arthur Street, Belfast BT1 4GD

028 9023 8451 Fax 028 9023 5401

The Stationery Office Oriel Bookshop

18-19 High Street, Cardiff CF1 2BZ

029 2039 5548 Fax 029 2038 4347

71 Lothian Road, Edinburgh EH3 9AZ

0870 606 5566 Fax 0870 606 5588

**Accredited Agents**

(See Yellow Pages)

and through good booksellers

ISBN 0-10-147452-0



9 780101 474528