

No. 10178

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**DENMARK  
and  
IVORY COAST**

**Agreement regarding a loan by the Kingdom of  
Denmark to the Ivory Coast (with annex and  
exchange of notes). Signed at Abidjan on 23 December  
1968**

*Authentic text: French.*

*Registered by Denmark on 12 January 1970.*

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**DANEMARK  
et  
CÔTE D'IVOIRE**

**Accord relatif à un prêt du Royaume du Danemark à  
la Côte d'Ivoire (avec annexe et échange de notes).  
Signé à Abidjan le 23 décembre 1968**

*Texte authentique: français.*

*Enregistré par le Danemark le 12 janvier 1970.*

[TRANSLATION — TRADUCTION]

AGREEMENT<sup>1</sup> BETWEEN THE GOVERNMENTS OF THE  
KINGDOM OF DENMARK AND THE REPUBLIC OF  
THE IVORY COAST REGARDING A LOAN BY THE  
KINGDOM OF DENMARK TO THE IVORY COAST

The Government of Denmark and the Government of the Ivory Coast, desiring to strengthen the traditional co-operation and cordial relations existing between their countries, have agreed that, with a view to the economic development of the Ivory Coast, a Danish government loan shall be extended to the Ivory Coast in accordance with the following provisions:

*Article I*

THE LOAN

For purposes of economic development, the Danish Government (hereinafter called the Lender) shall extend to the Government of the Ivory Coast (hereinafter called the Borrower) a loan of fifteen million Danish Kroner for the purchase of capital goods and for payment of the services described in article VI of this Agreement.

*Article II*

LOAN ACCOUNT

1. An account designated "Government of the Ivory Coast Special Account" (hereinafter called "Special Account") shall be opened with Danmarks Nationalbank (acting as agent for the Lender) in favour of the Caisse autonome d'amortissement (acting as agent for the Borrower). The Lender shall ensure that sufficient funds are always available in the Special Account to enable the Borrower to effect punctual payment for the goods and services for which contracts have been concluded under the Loan, provided, however, that the amounts successively made available to the Borrower shall not, in the aggregate, exceed the amount specified in article I.

2. The Caisse autonome d'amortissement (acting as agent for the Borrower) is entitled, subject to the provisions of this Agreement, to withdraw

<sup>1</sup> Came into force on 11 February 1969, the day on which the Government of Denmark informed the Government of the Ivory Coast that the Finansudvalget (the Commission of Finances of the Danish Parliament) had approved the said Agreement, in accordance with article XIV (1).

from the Special Account amounts needed for the purchase of goods or the payment of services for which contracts have been concluded under the Loan.

### *Article III*

#### RATE OF INTEREST

The Loan shall be free of interest.

### *Article IV*

#### REPAYMENT

1. The Borrower undertakes to repay to the Lender the principal paid into the Special Account in thirty-five semi-annual instalments of 420,000 Danish Kroner each, the first of which shall fall due on 30 September 1975 and the last on 30 September 1992, and a final payment of 300,000 Danish Kroner, to be made on 31 March 1993.

2. The Borrower shall have the right to repay in advance of maturity all or part of one or more payments specified by him.

### *Article V*

#### PLACE OF PAYMENT

The Borrower undertakes to repay the Loan to Danmarks Nationalbank, in Danish Kroner or in any other convertible currency acceptable to that Bank, by crediting the current account of the Danish Ministry of Finance with Danmarks Nationalbank.

### *Article VI*

#### USE OF THE LOAN BY THE IVORY COAST

1. The Borrower shall use the Loan:

- (a) To pay for imports from Denmark (including transport charges from Denmark to the Ivory Coast) of capital goods required for carrying out the Ivory Coast's development plan (in accordance with the annexed list, which may be amended or extended with the mutual consent of the Contracting Parties);
- (b) To pay for services of Danish origin required for carrying out the Ivory Coast's development plan, including, in particular, pre-investment studies, preparation of projects, installation costs, services of engineering consultants, and technical and administrative assistance, for example for the putting into operation of undertakings established by means of the Loan.

Under the Agreement, the total disbursement shall not exceed the amount of fifteen million Kroner specified in article I.

2. The Borrower shall ensure that the Loan is used exclusively to pay for goods and services needed to fulfil contracts approved by both Parties. The special conditions relating to the payment of such goods and services, other than the conditions referred to in article II, shall be defined in detail by the Lender and the Borrower.

3. The Lender shall approve contracts concluded under the Loan but such approval shall not cause him to be held responsible for the proper execution or subsequent implementation of such contracts.

4. The terms of payment laid down in a contract or other document establishing that an order has been placed with a Danish exporter for goods or services of the type mentioned above shall be deemed to be normal and reasonable when the said contract or document contains no clauses under which the Danish exporter grants special credit facilities.

5. The Loan shall be used only to pay for goods or services for which contracts have been signed and approved by the two Parties after the entry into force of this Agreement and before the expiry of a three-year period following such entry into force.

6. The Borrower may draw on the account with Danmarks Nationalbank referred to in article II for up to three years from the date of the entry into force of the Agreement or such other date as shall be fixed by agreement between the Lender and the Borrower.

7. If the proceeds of the Loan have not been fully utilized within the period specified above in paragraph 6, the semi-annual payments shall be reduced in the same proportion as the amount not utilized bears to the principal of the Loan.

8. All Danish goods imported into the Ivory Coast under this Agreement shall be exempt from customs duty and all other import dues.

### *Article VII*

#### NON-DISCRIMINATION

1. The Borrower undertakes not to accord the Danish creditor less favourable treatment with regard to the repayment of the Loan than that accorded to other foreign creditors.

2. All shipments of capital goods under the Loan shall be effected in accordance with the principle that all ships have the right to engage in international trade in conditions of free competition.

*Article VIII*

## MISCELLANEOUS PROVISIONS

1. Prior to the first drawing against the Special Account referred to in article II, the Borrower shall satisfy the Lender that all the constitutional or other legislative requirements of the country of the Borrower have been met, so that this Agreement, under the conditions laid down therein, shall be legally binding on the Borrower.

2. The Borrower shall furnish to the Lender evidence that the person or persons who will take any action or execute any documents under this Agreement are duly authorized thereto and shall provide a specimen signature of each of them.

3. Any notice or request concerning this Agreement and any arrangement under the Agreement made by the Contracting Parties shall be in writing. Such notice or request shall be deemed to have been validly given or made when it has been delivered by hand or transmitted by letter, telegram or radiogram to the Party concerned at the address specified in this Agreement or at any other address communicated in writing by the said Party to the Party giving such notice or making such request.

*Article IX*

## PARTICULAR COVENANTS

The repayment of the Loan shall be effected without deduction of and free from all taxes and charges and from all restrictions applied under the domestic law of the Borrower. This Agreement shall be exempt from any charges which may be levied now or in the future under the domestic law of the Borrower on its entry into force, conclusion, delivery or registration.

*Article X*

## CANCELLATION AND SUSPENSION

1. The Borrower may, by a notice to the Lender, cancel any amount of the Loan which he has not utilized.

If either of the following contingencies should arise and continue to obtain, the Lender may, by a notice to the Borrower, suspend, wholly or in part, the Borrower's right to draw on the Special Account:

(a) Failure to repay the principal in accordance with the terms of this Agreement or of any other payment undertaking assumed by the Borrower in relation to the Lender;

(b) Failure on the part of the Borrower to carry out any other obligation or decision pursuant to this Agreement.

2. The right of the Borrower to draw on the Special Account shall continue to be suspended wholly or in part, as the case may be, until such time as the circumstance or circumstances which caused such suspension cease to exist or the Lender notifies the Borrower that the right to make withdrawals has been restored, provided, however, that where the right is restored by means of a notice to that effect, it shall be restored only to the extent and subject to the conditions specified in the said notice and that the notice shall in no way affect or impair any right, power or remedy of the Lender in respect of any contingency other than or subsequent to that which caused the suspension referred to in this article.

Should the Borrower's right to draw on the Special Account be suspended with respect to any amount of the Loan for a period of sixty consecutive days, the Lender may, by a notice to the Borrower, suspend his right to withdraw such amount. The said amount shall be cancelled by such notice.

3. Notwithstanding any cancellation or suspension, all the provisions of this Agreement shall remain in force, except as otherwise expressly provided in this article.

#### *Article XI*

##### REMEDIES OF THE LENDER

Should either of the contingencies referred to in article X (a) and (b) arise and continue to obtain for sixty days after the Lender has given notice thereof to the Borrower, the Lender may, at any time thereafter, declare that the outstanding balance of the principal has fallen due and become payable immediately. Upon such declaration being made, the outstanding balance of the principal shall become due and shall be paid immediately, notwithstanding any provision to the contrary in the Agreement.

#### *Article XII*

##### APPLICABLE LAW

Unless otherwise provided for in the Agreement, the Agreement and all rights and obligations deriving therefrom shall be governed by Danish law.

#### *Article XIII*

##### SETTLEMENT OF DISPUTES

1. Any dispute between the Contracting Parties concerning the interpretation or application of this Agreement which has not been settled within six months through the diplomatic channel shall, at the request of

one of the Parties, be submitted to an arbitral tribunal of three members. The chairman of the tribunal, who shall be a national of a third country, shall be elected by agreement between the Contracting Parties. Should the Parties fail to agree on the election of the chairman of the tribunal, each of them may request the President of the International Court of Justice to make the appointment. Each of the Parties shall appoint its own arbitrator. Should one Party fail to appoint its arbitrator, the latter may be appointed by the chairman of the arbitral tribunal.

2. Each of the Contracting Parties shall observe and carry out the awards rendered by the arbitral tribunal.

#### *Article XIV*

##### VALIDITY OF THE AGREEMENT

1. This Agreement shall enter into force on the date on which the Lender informs the Borrower that the Finansudvalget (the Finance Commission of the Danish Parliament) has approved it.

2. This Agreement shall terminate when the entire principal has been repaid.

#### *Article XV*

##### ADDRESSES

The addresses to be used by the two Parties are:

##### *The Borrower:*

Caisse autonome d'amortissement

Boîte Postale No. 670 à Abidjan

Telegraphic address:

CAMORCI — Telex No. 798, Abidjan

##### *The Lender:*

With respect to disbursements under the Loan:

Ministry of Foreign Affairs

Secretariat for Technical Co-operation with Developing Countries

Copenhagen

Telegraphic address:

Étrangères Copenhagen

With respect to repayments of the Loan:

Ministry of Finance

Copenhagen

Telegraphic address:

Finans Copenhagen

IN WITNESS WHEREOF the undersigned, duly authorized by their respective Governments have signed this Agreement.

DONE at Abidjan, on 23 December 1968, in two original copies in the French language.

For the Government of Denmark:

Nonny WRIGHT

For the Government  
of the Ivory Coast:

Konan BÉDIÉ

#### ANNEX

This Agreement shall apply to deliveries by Denmark to the Ivory Coast of machinery and capital goods or the provision of services for:

1. Installation of a furniture factory;
2. Installation of a prefabricated housing factory;
3. Construction of a tourist hotel;
4. Installation of a powdered food factory.

This list is not restrictive.

The enterprises responsible for the execution of these and any other projects which, by agreement between the two Governments, receive Danish capital goods financed under the Loan Agreement may be granted priority in accordance with the conditions prescribed by the laws and regulations in force in the Ivory Coast.

#### EXCHANGE OF NOTES

##### I

REPUBLIC OF THE IVORY COAST

MINISTRY OF ECONOMIC AND FINANCIAL AFFAIRS

The Minister

Abidjan, 23 December 1968

Madam,

With reference to the Agreement signed this day between the Government of Denmark and the Government of the Ivory Coast concerning a development loan (hereinafter called the Agreement), I have the honour to propose that the following rules shall apply with respect to the implementation of article VI. Disbursements from the account shall be effected in the following manner:



(1) The Danish exporter or expert and the importer or investor shall negotiate a contract subject to the final approval of the Danish and Ivory Coast authorities. No contract for Danish goods of a value of less than 100,000 Kroner can fulfil the conditions for financing under the Agreement, save where the final balance of the Loan is to be used.

(2) The Government of the Ivory Coast shall submit to the Ministry of Foreign Affairs of Denmark copies of the contracts concluded under the Agreement. The Ministry of Foreign Affairs shall ascertain, *inter alia*, whether :

- (a) The goods or services covered by the contract fall within the scope of the Agreement ;
- (b) The capital goods in question were manufactured in Denmark or the services required will be rendered by persons engaged in an occupation in Denmark, and shall so notify the Government of the Ivory Coast.

(3) The Government of the Ivory Coast may then draw on the account opened with Danmarks Nationalbank in order to effect payment for the goods and services referred to in the contracts. Disbursements from this account shall be subject to presentation of the necessary documents after Danmarks Nationalbank has determined that the conditions for making such disbursements have been fulfilled.

If the foregoing provisions are acceptable to the Government of Denmark, I have the honour to propose that this letter and your reply shall constitute an agreement between our two Governments.

Accept, Madam, etc.

Konan BÉDIÉ

The Ambassador of the Kingdom of Denmark  
Abidjan

## II

ROYAL EMBASSY OF DENMARK

Abidjan, 23 December 1968

Sir,

I have the honour to acknowledge receipt of your letter of today's date, which reads as follows :

[See note I]

I have the honour to inform you that my Government is in agreement with the foregoing.

Accept, Sir, etc.

Nonny WRIGHT

The Minister for Economic and Financial Affairs

Abidjan