

**UNITED KINGDOM OF GREAT BRITAIN
AND NORTHERN IRELAND
and
GHANA**

Agreement for the provision of a special loan to the Government of the Republic of Ghana to facilitate the payment by the Government of the Republic of Ghana and citizens of the Republic of Ghana of medium term commercial debts falling due between 1 July 1970 and 30 June 1972 (with schedules). Signed at Accra on 17 July 1971

Authentic text: English.

Registered by the United Kingdom of Great Britain and Northern Ireland on 16 December 1971.

**ROYAUME-UNI DE GRANDE-BRETAGNE
ET D'IRLANDE DU NORD
et
GHANA**

Accord relatif à l'octroi au Gouvernement de la République du Ghana d'un prêt spécial destiné à faciliter l'acquittement des dettes commerciales à moyen terme encourues par ce Gouvernement et par les citoyens de la République du Ghana et qui viennent à échéance entre le 1^{er} juillet 1970 et le 30 juin 1972 (avec tableaux). Signé à Accra le 17 juillet 1971

Texte authentique: anglais.

Enregistré par le Royaume-Uni de Grande-Bretagne et d'Irlande du Nord le 16 décembre 1971.

AGREEMENT¹ BETWEEN THE GOVERNMENT OF THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND AND THE GOVERNMENT OF THE REPUBLIC OF GHANA FOR THE PROVISION OF A SPECIAL LOAN TO THE GOVERNMENT OF THE REPUBLIC OF GHANA TO FACILITATE THE PAYMENT BY THE GOVERNMENT OF THE REPUBLIC OF GHANA AND CITIZENS OF THE REPUBLIC OF GHANA OF MEDIUM TERM COMMERCIAL DEBTS FALLING DUE BETWEEN 1 JULY, 1970, AND 30 JUNE, 1972

The Government of the United Kingdom of Great Britain and Northern Ireland (hereinafter referred to as “the Government of the United Kingdom”) and the Government of the Republic of Ghana (hereinafter referred to as “the Government of Ghana”);

Considering the Conference held in London from 7 July to 11 July, 1970 hereinafter referred to as “the 1970 Conference”), at which the Government of the United Kingdom and the Government of Ghana, together with certain other Governments, the International Monetary Fund, and the International Bank for Reconstruction and Development were represented;

Desiring to conclude an Agreement to give effect to the proposals for the provision of debt relief formulated at the 1970 Conference;

Have agreed as follows :

Article I

In this Agreement unless the contrary intention appears, “debt” shall mean debt and moratorium interest thereon, as defined in Article 1, 2 and 5 of the Agreements signed on 27 February, 1967² and 17 December, 1968³ between the Government of the United Kingdom and the Government of Ghana (hereinafter referred to as the “1967 Agreement” and the “1968 Agreement”), which is due in the period 1 July, 1970 to 30 June, 1972 under the medium term credit contracts referred to in the 1967/1968 agreements as affected by the provisions of the said agreements.

¹ Came into force on 19 July 1971, in accordance with article VIII.

² United Nations, *Treaty Series*, vol. 606, p. 133.

³ *Ibid.*, vol. 682, p. 21.

Article II

(1) The Government of the United Kingdom shall lend to the Government of Ghana a sum of money not exceeding £3.5 million (hereinafter referred to as "the loan").

(2) The loan shall be disbursed to the Government of Ghana for the purpose of assisting the Government of Ghana to ensure the transfer, in accordance with the 1967 Agreement and the 1968 Agreement, of the full amount of debt due, and, subject to paragraph (1) of this Article, shall be equivalent to half of the amount of the debt due and fully paid.

(3) Disbursement of the loan by the Government of the United Kingdom to the Government of Ghana shall be subject to the transfer, as aforesaid, of the full amount of debt due, from time to time, in accordance with the provisions of the First Schedule to this Agreement.

Article III

(1) The Government of Ghana shall repay to the Government of the United Kingdom in pounds sterling in London the amount of the loan. Repayment shall be made by instalments on the dates and in the amounts specified in the Second Schedule to this Agreement.

(2) The Government of Ghana shall pay interest to the Government of the United Kingdom on the amount of the loan, such interest to be paid in pounds sterling in London by instalments at the rate and on the dates specified in the Second Schedule.

(3) Notwithstanding the provisions of paragraphs (1) and (2) of this Article and of the Second Schedule, nothing shall preclude the Government of Ghana from repaying to the Government of the United Kingdom in pounds sterling in London at an earlier date or earlier dates than specified in the said Schedule the whole or any part of the loan outstanding together with any interest due and outstanding thereon.

Article IV

(1) If, at any time whether before or after the date of signature of this Agreement (but after 11 July, 1970), the Government of Ghana conclude an Agreement or make arrangements in connection with the repayment of debt owed to the Government of any other country or to bodies incorporated or persons resident therein (including an Agreement or arrangements modifying any previous such Agreement or arrangements) and the effect of that Agreement or those arrangements (read, where appropriate, together with any previous such Agreement or arrangements) is more favourable to that country than the effect of this Agreement (read together with the 1967 Agreement and the 1968 Agreement) is to the United Kingdom, then the Government of the United

Kingdom shall forthwith be entitled to such a variation of this Agreement as will render its effect no less favourable to the United Kingdom than the effect of the other Agreement or arrangements is to the other country.

(2) The provisions of this Article shall not have effect in relation to an Agreement or arrangements whereby the Government of Ghana refrain from seeking debt relief from the Government of a country if the amounts due between 1 July, 1970 and 30 June, 1972 to such a Government or bodies incorporated or persons resident in that country total less than the equivalent of US \$35,000.00.

Article V

This Agreement shall not in any way affect the provisions of the 1967 Agreement or the 1968 Agreement.

Article VI

The Government of the United Kingdom and the Government of Ghana shall exchange all information required for the proper implementation of this Agreement.

Article VII

Any dispute which may arise between the Government of the United Kingdom and the Government of Ghana as to the interpretation or application of any of the provisions of this Agreement shall, at the request of either Government, be referred to the International Court of Justice, unless both Governments agree to submit such dispute to some other tribunal or otherwise dispose of it.

Article VIII

This Agreement shall enter into force on the nineteenth day of July, 1971. It shall continue in force until the whole of the loan and the interest payable thereon has been repaid.

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

DONE in duplicate in Accra this Seventeenth day of July, 1971.

For the Government
of the United Kingdom of Great
Britain and Northern Ireland :

H. S. H. STANLEY

For the Government
of the Republic of Ghana :

J. H. MENSAH

FIRST SCHEDULE

DISBURSEMENT OF THE LOAN

(1) Subject to the provisions of this Schedule, the loan shall be disbursed to the Government of Ghana in instalments, each instalment being related to a payment of part of the debt.

(2) The first instalment shall be disbursed within 7 days of the entry into force of Agreement, provided that all debts, as defined in this Agreement, which are due to be paid up to and including its entry into force, have been paid. Each subsequent instalment shall, so far as is practicable, be disbursed on the first and the 16th days of each month. The amount of each such instalment shall be a sum equivalent to one half of the total of the debt due and fully paid, together with, if the Government of the United Kingdom have received evidence that arrangements have been made by the Government of Ghana to make payment, that part of the debt due up to the end of the ensuing half-monthly period, less the total of the instalments of the loan previously disbursed.

(3) For the purposes of disbursement of the loan, account may be taken by the Government of the United Kingdom of payment of debt which has been made for reasons of administrative or other convenience after 30 June, 1972. Unless both Governments agree otherwise, instalments of the loan shall in no case be disbursed later than 30 September, 1972.

(4) For the purpose of disbursement of the loan in accordance with the provisions of this Schedule, the Government of Ghana shall appoint Agents to act on their behalf, and shall inform the Government of the United Kingdom of the arrangements so made.

(5) All instalments of the loan shall be disbursable in pounds sterling.

SECOND SCHEDULE

REPAYMENT OF THE LOAN

1. Repayment of the loan shall be made in instalments on the dates and in the amounts specified below :

<i>Dates due</i>	<i>Amounts due</i>
1 October 1980 and 1 October in each of the succeeding 17 years	£48,600
1 January 1981 and on 1 January in each of the succeeding 17 years	£48,600
1 April 1981 and on 1 April in each of the succeeding 17 years	£48,600
1 July 1981 and on 1 July in each of the succeeding 16 years	£48,600
1 July 1998	£49,400

Provided that if under the provisions of the First Schedule the amount of the loan is less than £3.5 million each instalment shall be one seventy-second part of the amount.

PAYMENT OF INTEREST ON THE LOAN

2. The Government of Ghana shall pay by instalments to the Government of the United Kingdom interest on the loan as follows :

- (a) The rate of interest shall be two per cent per annum;
 - (b) Interest shall be calculated on a daily basis on that part of the loan which has been disbursed to the Government of Ghana but not paid to the Government of the United Kingdom;
 - (c) The first payment of interest shall be made on 1 October 1971, and subsequent payments shall be made on 1 January 1972, and on 1 April 1972, 1 July 1972 and 1 October 1972. Thereafter payments shall be made on 1 January, 1 April, 1 July and 1 October in each succeeding year until 1 July 1998 inclusive.
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