

No. 12150

**DENMARK
and
CHILE**

**Agreement on the refinancing of certain Chilean debts to
Denmark (with exchange of letters). Signed at Copen-
hagen on 13 July 1972**

Authentic texts: Danish and Spanish.

Registered by Denmark on 28 November 1972.

**DANEMARK
et
CHILI**

**Accord relatif à la consolidation de dettes contractées par
le Chili envers le Danemark (avec échange de lettres).
Signé à Copenhague le 13 juillet 1972**

Textes authentiques: danois et espagnol.

Enregistré par le Danemark le 28 novembre 1972.

[TRANSLATION — TRADUCTION]

AGREEMENT¹ BETWEEN THE GOVERNMENT OF DENMARK
AND THE GOVERNMENT OF CHILE ON THE REFINANCING
OF CERTAIN CHILEAN DEBTS TO DENMARK

In accordance with the arrangement agreed upon at the meeting held in Paris on 2, 3, 4, 16 and 17 February, 29 and 30 March and 17, 18 and 19 April 1972 between representatives of the Governments of the European creditor countries of Chile, including Denmark, of the United States, Canada and Japan and of the Republic of Chile, Mr. Jens Otto Krag, Prime Minister, representing the Government of the Kingdom of Denmark, of the one part, and the Government of the Republic of Chile, represented by His Excellency Mr. Luis Enrique Délano Díaz, Ambassador Extradordinary and Plenipotentiary of the Republic of Chile to Denmark, also representing the Autonomous Fund for Amortization of the Public Debt (hereinafter referred to as "la Caja"), which under its Statute is empowered in such cases to act for and on behalf of the Government and the debtor organizations, to arrive at arrangements with the creditors and to sign the relevant contracts, of the other part, have agreed that the Chilean debt to Denmark to which this Agreement relates shall be refinanced on the following terms and conditions:

- Article 1.* The debt covered by this Agreement shall comprise the amounts of principal and interest payable under contracts entered into between an importer domiciled in Chile and an exporter domiciled in Denmark, provided that the debt:
- a) arises under a contract for the supply of goods which was entered into on or before 1 January 1971 and which stipulates terms of payment of more than one year;
 - b) is payable, under the terms of the original contract, during the period from 1 November 1971 to 31 December 1972;
 - c) is guaranteed against transfer risks by the Danish Export Credit Council or by the Ministry of Commerce of Denmark.

Any debt which is not paid by the Chilean importer within 90 days of the due date specified in the contract shall not be covered by this Agreement.

The debts covered by this Agreement, to an aggregate amount of not more than 2 (two) million United States dollars, are listed in a schedule heretofore agreed upon by the Contracting Parties.

Article 2. The Government of Denmark undertakes to refinance 70 per cent of the debt referred to in article 1 above.

Article 3. For the purposes of this Agreement, Danmarks Nationalbank (National Bank of Denmark) shall open, in the name of la Caja, an account in convertible Danish kroner designated "Refinancing Account II".

¹ Came into force on 12 September 1972, the date by which the two Parties had notified each other that it had been approved in compliance with their domestic law, in accordance with article 8.

Article 4. La Caja shall, through Banco Central de Chile (Central Bank of Chile), inform Danmarks Nationalbank of amounts covered by this Agreement which are remitted by the Chilean debtor or his bank to the Danish exporter or his bank, and Danmarks Nationalbank shall notify the Danish Export Credit Council or the Ministry of Commerce, as the case may be, of the remittances. After verifying that the exporter has received the amount remitted, the Danish Export Credit Council or the Ministry of Commerce, as the case may be, shall pay 70 per cent of that amount in to Refinancing Account II at Danmarks Nationalbank.

Danmarks Nationalbank shall inform la Caja, through Banco Central de Chile, of the amounts paid into the Refinancing Account.

Article 5. 1) The amounts paid into Refinancing Account II at Danmarks Nationalbank by the Danish Export Credit Council and the Ministry of Commerce shall be aggregated at the end of 1972.

La Caja undertakes to repay the amounts thus aggregated as follows:

7.7 per cent on 1 January 1975

7.7 per cent on 1 July 1975

7.7 per cent on 1 January 1976

7.7 per cent on 1 July 1976

7.7 per cent on 1 January 1977

7.7 per cent on 1 July 1977

7.7 per cent on 1 January 1978

7.7 per cent on 1 July 1978

7.7 per cent on 1 January 1979

7.7 per cent on 1 July 1979

7.7 per cent on 1 January 1980

7.7 per cent on 1 July 1980

7.6 per cent on 1 January 1981.

2) La Caja shall pay interest at the rate of 6 (six) per cent per annum on the amounts paid into Refinancing Account II at Danmarks Nationalbank by the Danish Export Credit Council and the Ministry of Commerce, less such amounts as shall have been repaid by the Government of Chile in accordance with paragraph 1 of this article.

Such interest shall be payable on 1 March and 1 September of each year. Payment of the interest due in 1972 shall be made on 1 July 1973.

3) The payments referred to in paragraphs 1 and 2 of this article shall be made to Danmarks Nationalbank for account of the Government of Denmark.

Article 6. Notwithstanding the provisions of this Agreement, la Caja undertakes to accord to Denmark treatment no less favourable than is accorded to any other creditor country in respect of the refinancing of debts similar to those covered by this Agreement.

Article 7. The Government of Chile guarantees the free transfer to Denmark of payments covered by this Agreement.

Article 8. This Agreement shall enter into force as soon as the two Parties have notified each other that it has been approved in accordance with their domestic law.

DONE in duplicate at Copenhagen, on 13 July 1972, in the Danish and Spanish languages, both texts being equally authentic.

For the Royal Government of Denmark:

JENS OTTO KRAG

For the Government of the Republic of Chile

on behalf of the Autonomous Fund for Amortization of the Public Debt (la Caja):

LUIS ENRIQUE DÉLANO

EXCHANGE OF LETTERS

I

EMBASSY OF CHILE
DENMARK

Copenhagen, 13 July 1972

Sir,

I have the honour to refer to the bilateral Agreement, signed this day between the Government of Chile and the Royal Government of Denmark, on the refinancing of certain Chilean debts to Denmark.

In this connexion, I would inform you that, in accordance with the negotiations which took place at the meeting held in Paris on 2, 3, 4, 16 and 17 February, 29 and 30 March and 17, 18 and 19 April 1972, the Government of Chile undertakes to liquidate as soon as possible any debts that may be due in respect of commercial transactions.

Accept, Sir, etc.

LUIS ENRIQUE DÉLANO
Ambassador of Chile

Mr. Kaj Repsdorph
Chairman of the Danish Delegation
Royal Ministry of Foreign Affairs
Copenhagen

II

MINISTRY OF FOREIGN AFFAIRS

Copenhagen, 13 July 1972

Sir,

I have the honour to acknowledge receipt of your letter of 13 July 1972, reading as follows:

[See letter I]

In reply, I have the honour to inform you that my Government is in agreement with the contents of the said letter.

Accept, Sir, etc.

For and on behalf of the Minister:

KAJ REPSDORPH

His Excellency Mr. Luis Enrique Délano Díaz
Ambassador Extraordinary and Plenipotentiary
of the Republic of Chile
Copenhagen
