

**No. 22820**

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

**Agreement on certain commercial debts (with schedules).  
Signed at Khartoum on 20 August 1983**

*Authentic text: English.*

*Registered by the United Kingdom of Great Britain and Northern Ireland  
on 29 March 1984.*

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

**Accord relatif à certaines dettes commerciales (avec  
annexes). Signé à Khartoum le 20 août 1983**

*Texte authentique : anglais.*

*Enregistré par le Royaume-Uni de Grande-Bretagne et d'Irlande du Nord  
le 29 mars 1984.*

# AGREEMENT<sup>1</sup> BETWEEN THE GOVERNMENT OF THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND AND THE GOVERNMENT OF THE DEMOCRATIC REPUBLIC OF THE SUDAN ON CERTAIN COMMERCIAL DEBTS

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

As a result of the Conference regarding consolidation of Sudanese debts held in Paris on 17 and 18 March 1982 at which the Government of the United Kingdom, the Government of Sudan, certain other Governments, the International Monetary Fund, the International Bank for Reconstruction and Development, the Secretariat of the United Nations Conference on Trade and Development, the Commission of the European Communities, and the Organisation for Economic Co-operation and Development were represented,

Have agreed as follows:

## *Article 1. DEFINITIONS*

In this Agreement, unless the contrary intention appears:

- (a) “Certificate”: shall mean a certificate issued by the Bank of Sudan to account for the payment in Sudanese Pounds made by the debtor;
- (b) “Credit contract”: shall mean a credit contract as defined in Article 2 of this Agreement;
- (c) “Creditor”: shall mean a creditor as defined in Article 2 of this Agreement;
- (d) “Currency of the debt”: shall mean sterling or such other currency not being Sudanese Pounds as is specified in the credit contract;
- (e) “Debt”: shall mean any debt to which, by virtue of the provisions of Articles 2 and 9 of this Agreement and of Schedule 2 thereto, the provisions of this Agreement apply;
- (f) “Debtor”: shall mean a debtor as defined in Article 2 of this Agreement;
- (g) “Maturity”: in relation to a debt shall mean the date for the repayment thereof under the relevant credit contract or under a promissory note or bill of exchange drawn up pursuant to the terms of such credit contract;
- (h) “Ministry”: shall mean the Ministry of Finance of Sudan or any other Department which the Government of Sudan may nominate for the purposes of this Agreement;
- (i) “Payment in Sudanese Pounds”: shall mean payment in Sudanese Pounds as specified in Article 3 of this Agreement;
- (j) “The Department”: shall mean the Export Credits Guarantee Department of the United Kingdom or any other Department which the Government of the United Kingdom may nominate for the purposes of this Agreement;
- (k) “Transfer scheme”: shall mean the transfer scheme referred to in Article 4 of this Agreement.

<sup>1</sup> Came into force on 20 August 1983 by signature, in accordance with article 11.

### *Article 2. THE DEBT*

(1) The provisions of this Agreement shall, subject to the provisions of paragraph (2) of this Article, apply to any debt, whether of principal or of contractual interest accruing up to maturity owed as primary or principal debtor or as guarantor by the Government of Sudan or by a person or body of persons or corporation resident or carrying on business in Sudan or by any successor thereto (hereinafter referred to as “debtor”) to a person or body of persons or corporation resident or carrying on business in the United Kingdom or to any successor thereto (hereinafter referred to as “creditor”) provided that:

- (a) The debt arises under or in relation to a contract or any agreement supplemental thereto which was made between the debtor and the creditor for the supply from outside Sudan of goods or service or both or of finance therefor, and which allowed credit to the debtor for a period exceeding one year, and which was entered into before 1 July 1981 (hereinafter referred to as a “credit contract”);
- (b) Maturity of the debt has occurred or will occur on or before 31 December 1982 and that after maturity that debt remains unpaid;
- (c) The debt is or will be in respect of a credit contract guaranteed as to payment of that debt under a guarantee issued by the Department;
- (d) The debt is not expressed by the terms of the credit contract to be payable in Sudanese Pounds; and
- (e) The debt has not previously been consolidated under the provisions of the United Kingdom/Sudan Debt Agreement signed on 25 August 1980.<sup>1</sup>

(2) The provisions of this Agreement shall not apply to so much of any debt as arises from an amount payable upon or as a condition of the formation of the credit contract or upon or as a condition of the cancellation or termination of the credit contract.

### *Article 3. PAYMENTS IN SUDAN IN RESPECT OF DEBTS*

Each payment in Sudanese Pounds by a debtor in respect of a debt (hereinafter referred to as “payment in Sudanese Pounds”) shall upon the entry into force of this Agreement or upon payment by the debtor, whichever is the later, be placed upon deposit in a special account with the Bank of Sudan. Amounts so deposited shall remain deposited with the Bank of Sudan until transfer to the creditor in accordance with the provision of Article 4 of this Agreement.

### *Article 4. PAYMENT TO CREDITORS*

Sudan shall ensure that the payments in Sudanese Pounds shall be transferred to the Creditors in the United Kingdom in the currency of the debt in accordance with the transfer scheme set out in schedule 1 to this Agreement. The amount of the currency of the debt to be so transferred shall in all cases be calculated at the rate of exchange prevailing at the time of payment in Sudanese Pounds.

### *Article 5. INTEREST*

(1) Sudan shall be liable for and shall pay to the creditor interest in accordance with the provisions of this Article on any debt to the extent that it has not

<sup>1</sup> United Nations, *Treaty Series*, vol. 1218, p. 49.

been settled by payment to the creditor in the United Kingdom pursuant to Article 4 of this Agreement.

(2) Interest shall accrue during, and shall be payable in respect of the period from maturity until the settlement of the debt by a payment to the creditor, and shall be paid and transferred to the creditor concerned in the currency of the debt half-yearly on 1 April and 1 October of each year commencing 1 April 1983.

(3) Interest shall be calculated on the outstanding amount of the debt and paid at the rate of 10.5 per cent per annum and shall be calculated on the basis of a 365-day year.

#### *Article 6. EXCHANGE OF INFORMATION*

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

#### *Article 7. OTHER DEBT SETTLEMENTS*

(1) If Sudan agrees with any creditor country other than the United Kingdom terms for the settlement of indebtedness similar to the indebtedness the subject of this Agreement which are more favourable than are the terms of this Agreement to creditors, then the terms of the payment of debts the subject of this Agreement shall, subject to the provision of paragraphs (2) and (3) of this Article, be no less favourable to creditors than the terms so agreed with that other creditor country notwithstanding any provision of this Agreement to the contrary.

(2) The provisions of paragraph (1) of this Article shall not apply in a case where the aggregate of the indebtedness to that other creditor country is less than the equivalent of SDR 500,000.

(3) The provisions of paragraph (1) of this Article shall not apply to matters relating to the payments of interest determined by Article 5 hereof.

#### *Article 8. PRESERVATION OF RIGHTS AND OBLIGATIONS*

This Agreement and its implementation shall not affect the rights and obligations of creditors and debtors under their credit contracts.

#### *Article 9. RULES*

In the implementation of this Agreement the rules set out in Schedule 2 to this Agreement shall apply.

#### *Article 10. THE SCHEDULES*

The Schedules to this Agreement shall form an integral part thereof.

#### *Article 11. ENTRY INTO FORCE AND DURATION*

This Agreement shall enter into force on signature and shall remain in force until the last of the payments to be made to the creditors under Articles 4 and 5 of this Agreement has been made.

IN WITNESS WHEREOF the undersigned, being duly authorised thereto, have signed this Agreement.

DONE in duplicate at Khartoum this 20th day of August 1983.

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

R. A. FYJIS-WALKER

For the Government of the Democratic Republic of Sudan:

[Signed]

IBRAHIM MANSOUR

## SCHEDULE 1

### TRANSFER SCHEME

(1) (a) An amount equal to 90 per cent of each payment in Sudanese Pounds shall be transferred from Sudan to the United Kingdom in eleven equal half-yearly and consecutive instalments on 2 January and 1 July each year commencing on 1 July 1987; and

(b) The remaining 10 per cent of each payment in Sudanese Pounds shall be transferred from Sudan to the United Kingdom as follows:

- 2.5 per cent on 31 December 1982,
- 2.5 per cent on 31 December 1983,
- 5 per cent on 31 December 1984.

(2) Where a percentage of payment in Sudanese Pounds in respect of a debt is due to be made to the United Kingdom on any date under the provisions of paragraph (1) of this Schedule but remains unpaid because the relevant payment in Sudanese Pounds has not been made at that date then such percentage payment or payments shall be made by transfer from Sudan to the United Kingdom immediately upon the payment in Sudanese Pounds.

## SCHEDULE 2

### RULES

(1) The Department and the Bank of Sudan shall agree a list of debts to which, by virtue of the provisions of Article 2 of this Agreement, this Agreement applies.

(2) Such a list shall be completed as soon as possible. This list may be reviewed from time to time at the request of the Department or of the Bank of Sudan. The agreement of both the Department and the Bank of Sudan shall be necessary before the list may be altered or amended or added to.

(3) Neither inability to complete the list referred to in paragraphs (1) and (2) of this Schedule nor delay in its completion shall prevent or delay the implementation of the other provisions of this Agreement.

(4) Upon the placing of a payment in Sudanese Pounds on deposit in the special account with the Bank of Sudan pursuant to Article 3 of this Agreement the Bank of Sudan

shall notify the Department of such deposit by remitting a certificate issued by the Bank of Sudan which shall state:

- (a) The amount of such payment in Sudanese Pounds expressed in the currency of the debt at the rate of exchange prevailing at the time of such payment;
- (b) The date of such payment; and
- (c) Particulars of the credit contract and date of payment of the debt to which such payment relates.

(5) (a) The Bank of Sudan shall transfer the necessary amounts in the currency of the debt to a bank in the United Kingdom together with payment instructions in favour of the creditor to whom payment is due in accordance with this Agreement.

(b) When making such transfer the Bank of Sudan shall give the Department particulars of the debts and of the interest to which the transfers relate.

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