

No. 23158

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

**and
ZAIRE**

**Agreement on certain commercial debts (Paris Conference,
1979) (with schedules). Signed at Kinshasa on 28 July
1983**

Authentic texts: English and French.

*Registered by the United Kingdom of Great Britain and Northern Ireland
on 30 November 1984.*

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

**et
ZAÏRE**

**Accord relatif à certaines dettes commerciales (Conférence
de Paris de 1979) [avec annexes]. Signé à Kinshasa le
28 juillet 1983**

Textes authentiques : anglais et français.

*Enregistré par le Royaume-Uni de Grande-Bretagne et d'Irlande du Nord
le 30 novembre 1984.*

AGREEMENT¹ BETWEEN THE GOVERNMENT OF THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND AND THE GOVERNMENT OF THE REPUBLIC OF ZAIRE 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 Republic of Zaire (hereinafter referred to as "Zaire"),

As a result of the Conference regarding consolidation of Zairian debts held in Paris on 10 and 11 December 1979 at which the Government of the United Kingdom, the Government of Zaire, 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) "Credit contract" shall mean a credit contract as defined in article 2 of this Agreement;
- (b) "Credit period" shall mean in relation to a credit contract the longest period of credit in respect of debts under that contract and references to credit contracts where the credit period is less than one year shall include those contracts which do not provide for any credit to be given;
- (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 zaires as is specified in the credit contract;
- (e) "Debt" shall mean any debt to which, by virtue of the provisions of articles 2 and 10 and schedule 2 of this Agreement, 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) "The Central Bank" shall mean the Central Bank of Zaire;
- (i) "OGEDEP" shall mean the Office de gestion de la dette publique, the debt office of Zaire;
- (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 purpose of this Agreement;

¹ Came into force on 28 July 1983 by signature, in accordance with article 11.

(k) "Transfer scheme" shall mean the transfer scheme referred to in article 3 of this Agreement.

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 Zaire or by a person or body of persons or corporation resident or carrying on business in Zaire 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 Zaire of goods or services or both or of finance therefor, and which was entered into before 1 January 1979 (hereinafter referred to as a "credit contract");
- (b) (i) In the case of a debt arising under a credit contract where the credit period is one year or less, maturity of the debt occurred on or before 30 June 1979 and that debt remains unpaid;
(ii) In the case of a debt arising under a credit contract where the credit period is more than one year, maturity of the debt occurred or will occur between 1 January 1978 and 31 December 1980 (both dates inclusive), and where maturity has occurred that debt remains unpaid;
- (c) The debt is in respect of a credit contract guaranteed as to payment of that debt under a guarantee issued by the Department; and
- (d) The debt is not expressed by the terms of the credit contract to be payable in zaires.

(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 TO CREDITORS

Zaire shall pay to the creditors in the United Kingdom in the currency of the debt the amounts due to each creditor in accordance with the transfer scheme set out in schedule 1 to this Agreement.

Article 4. INTEREST

(1) Zaire 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 been settled by payment to the creditor in the United Kingdom pursuant to article 3 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, subject to the provisions of article 5 of this Agreement, shall be paid and

transferred to the creditor concerned in the currency of the debt half-yearly on 30 June and 31 December of each year commencing 31 December 1981.

(3) Interest shall be calculated on the outstanding amount of the debt and paid at the rate of 10 per cent per annum and shall be calculated on a day to day basis of a 365-day year.

Article 5. SPECIAL PROVISIONS AS TO INTEREST

(1) Interest which under the provisions of paragraph (1) of article 4 of this Agreement has accrued due up to and including 31 December 1979 in respect of the debts specified in article 2, paragraph (1)(b)(i), of this Agreement shall be capitalised as at that date and shall be payable on the dates shown in paragraph (2) of this article. Interest accruing on such debts after 31 December 1979 shall be payable in accordance with the provisions of article 4 of this Agreement.

(2) Interest capitalised in accordance with the provisions of paragraph (1) of this article shall be paid to the creditor concerned in the currency of the debt as follows:

- 25 per cent thereof one month after the date of the signature of this Agreement,
- 25 per cent thereof on 30 September 1982,
- 25 per cent thereof on 30 September 1983,
- 25 per cent thereof on 30 September 1984.

Article 6. EXCHANGE OF INFORMATION

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

Article 7. OTHER DEBT SETTLEMENTS

(1) If Zaire 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 to creditors than are the terms of this Agreement then the terms of the payment of debts the subject of this Agreement shall, subject to the provisions of paragraph (2) of this article, be no less favourable 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 1 million.

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 II. 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 3, 4 and 5 of the Agreement has been made.

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

DONE in duplicate at Kinshasa this twenty-eighth day of July 1983 in the English and French languages, both texts being equally authoritative.

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

J. M. O. SNODGRASS

For the Government
of the Republic of Zaire:

TSHIBAMBE KABAMBA

SCHEDULE 1

TRANSFER SCHEME

(1) In respect of each debt arising under a credit contract where the credit period is one year or less which fell due on or before 30 June 1979 and which remains unpaid payment shall be made and transferred from Zaire to the United Kingdom as follows:

- 10 per cent thereof on 30 September 1980,
- 15 per cent thereof on 30 September 1981,
- 25 per cent thereof on 30 September 1982,
- 25 per cent thereof on 30 September 1983,
- 25 per cent thereof on 30 September 1984.

(2) In respect of each debt arising under a credit contract where the credit period is more than one year which fell due between 1 January 1978 and 30 June 1979 both dates inclusive and which remains unpaid:

- (a) An amount equal to 80 per cent of each debt shall be paid and transferred from Zaire to the United Kingdom in 12 equal half-yearly consecutive payments beginning on 30 June 1984, and
- (b) Payment of the remaining 20 per cent shall be made and transferred to the United Kingdom as follows:
 - 2 per cent thereof on 30 June 1980,
 - 4 per cent thereof on 30 June 1981,
 - 6 per cent thereof on 30 June 1982,
 - 8 per cent thereof on 30 June 1983.

(3) In respect of each debt arising under a credit contract where the credit period is more than one year which fell due or will fall due between 1 July 1979 and 31 December 1980, both dates inclusive, and which remains unpaid:

- (a) An amount equal to 90 per cent of each debt shall be paid and transferred from Zaire to the United Kingdom in 12 equal half-yearly consecutive payments beginning on 30 June 1984, and

- (b) An amount equal to 10 per cent of each debt shall be paid and transferred from Zaire to the United Kingdom in 4 equal and consecutive annual payments beginning on 30 June 1980.

SCHEDULE 2

RULES

(1) The Department and OGEDEP shall agree [on] 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 OGEDEP. The agreement of both the Department and OGEDEP shall be necessary before the list may be altered 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 the Agreement.

(4) (a) On receiving from OGEDEP an order to pay, the Central Bank 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 Central Bank shall give the Department particulars of the debts and of the interests to which the transfers relate.