

No. 23322

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

**Agreement on certain commercial debts (with schedules).
Signed at Khartoum on 25 January 1984**

Authentic text: English.

*Registered by the United Kingdom of Great Britain and Northern Ireland on 11 April
1985.*

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

**Accord relatif à certaines dettes commerciales (avec annexes).
Signé à Khartoum le 25 janvier 1984**

Texte authentique : anglais.

*Enregistré par le Royaume-Uni de Grande-Bretagne et d'Irlande du Nord le 11 avril
1985.*

AGREEMENT¹ 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 3 and 4 February 1983 at which the Government of the United Kingdom, the Government of The 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, and the Organisation for Economic Co-operation and Development were represented;

Have agreed as follows:

Article I. 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 as is specified in the credit contract;
- (e) “the Bank” shall mean the Bank of Sudan;
- (f) “debt” shall mean any debt to which, by virtue of the provisions of Articles 2 and 10 of this Agreement and of Schedule 2 thereto, the provisions of this Agreement apply;
- (g) “debtor” shall mean a debtor as defined in Article 2 of this Agreement;
- (h) “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;
- (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 Government of the United Kingdom or any other Department thereof which the Government of the United Kingdom may nominate for the purposes of this Agreement;
- (k) “the 1980 Agreement” shall mean the Agreement 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 signed on 25 August 1980;²

¹ Came into force on 25 January 1984 by signature, in accordance with article 11.

² United Nations, *Treaty Series*, vol. 1218, p. 49.

(l) “the 1982 Agreement” shall mean the Agreement 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 debts¹ which will be signed shortly;

(m) “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 or of principal or interest payable or charged under the provisions of the 1980 or the 1982 Agreements, 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 services or both or of finance therefor, and which was entered into before 1 January 1983 (hereinafter referred to as a “credit contract”);
- (b) (i) In the case of a debt arising under a credit contract which was not subjected to rescheduling under the provisions of either the 1980 or 1982 Agreements, either maturity of the debt occurred on or before 31 December 1982 or occurred or will occur between 1 January and 31 December 1983 (both dates inclusive) and in either case where maturity has occurred that debt remains unpaid;
- (ii) in the case of a debt due under either the 1980 or 1982 Agreements, such payment was due or will fall due on or before 31 December 1983 and, where the due date for payment has occurred, remains unpaid;
- (iii) in the case of the capitalized interest referred to in Article 5(3) of this Agreement such interest fell due or will fall due between 1 January 1983 and 31 December 1983 both dates inclusive;
- (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 Sudanese Pounds.

(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 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 creditors in accordance with the provisions of Article 4 of this Agreement.

¹ United Nations, *Treaty Series*, vol. 1352, p. 269.

Article 4. PAYMENTS TO CREDITORS

Sudan undertakes to pay its debts punctually and shall ensure that funds are 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, and in the amounts specified in the Credit Contract as agreed in accordance with the provisions of Schedule 2 of this Agreement.

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 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 payment to the creditor and, subject to the provision of paragraph (3) of this Article, shall be paid and transferred to the creditor concerned in the currency of the debt half-yearly on 1 January and 1 July each year commencing on 1 July 1984.

(3) Interest accruing between 1 January 1983 and 31 December 1983 (both dates inclusive) shall be paid and transferred as to 50 per cent thereof on 1 January 1984, and the balance of 50 per cent shall be capitalized as a debt in accordance with the provisions of Article 2(1) of this Agreement and paid and transferred in accordance with the provisions of Article 10 and Schedule 1 of this Agreement.

(4) Interest shall be calculated on the outstanding amount of the debt and, on the basis of a 365-day year, shall be paid:

- (a) in the case of debts specified in Article 2(1)(b)(i) and 2(1)(b)(iii) at the rate of 10.5 per cent per annum; and
- (b) in the case of payments of debts specified in Article 2(1)(b)(ii) for the period up to and including the day before the date of signature of this Agreement or up to and including the due date for payment whichever is later at the rates specified in Article 5 of the 1980 and 1982 Agreements respectively and thereafter at the rate of 10.5 per cent per annum.

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 provisions 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 the other creditor country is less than the equivalent of SDR250,000.

(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 25th day of January 1984.

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

R. A. WALKER

For the Government of the Democratic Republic of the Sudan:

IBRAHIM MANSOUR

SCHEDULE 1

TRANSFER SCHEME

In respect of each debt falling due within the provisions of Article 2 of this Agreement up to and including 31 December 1983, together with the interest for the period 1 January 1983 to 31 December 1983, both dates inclusive, capitalized under the provisions of Articles 2 and 5 of this Agreement, payments shall be made and transferred from Sudan to the United Kingdom in twenty equal and consecutive half yearly instalments on 1 January and 1 July each year commencing on 1 July 1989.

SCHEDULE 2

RULES

(1) The Department and the Bank 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 the Bank. The agreement of both the Department and the Bank shall be necessary before the list may be altered, 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 pursuant to Article 3 of this Agreement the Bank shall notify the Department of such deposit by remitting a certificate issued by the Bank 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 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 shall give the Department particulars of the debts and of the interest to which the transfers relate.
