

No. 25949

---

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

**Agreement on certain commercial debts (with schedules).  
Signed at London on 9 July 1986**

*Authentic texts: English and French.*

*Registered by the United Kingdom of Great Britain and Northern Ireland on  
23 May 1988.*

---

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

**Accord relatif à certaines dettes commerciales (avec an-  
nexes). Signé à Londres le 9 juillet 1986**

*Textes authentiques : anglais et français.*

*Enregistré par le Royaume-Uni de Grande-Bretagne et d'Irlande du Nord  
le 23 mai 1988.*

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

---

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 Islamic Republic of Mauritania (hereinafter referred to as “the Government of Mauritania”);

As a result of the Conference held in Paris on 26 and 27 April 1985 regarding the consolidation of Mauritanian debts at which the Government of the United Kingdom, the Government of Mauritania, 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 1. DEFINITIONS*

In this Agreement, unless the contrary intention appears:

(a) “The Bank” means the Central Bank of the Islamic Republic of Mauritania;

(b) “Contract” means a contract entered into before 31 December 1984 the parties to which include a Debtor and a Creditor and which is either for the sale of goods and/or services from outside Mauritania to a buyer in Mauritania or is in respect of the financing of such a sale which in either case granted or allowed credit to the Debtor for a period exceeding one year;

(c) “Creditor” means a person or body of persons or corporation resident or carrying on business in the United Kingdom or any successor in title thereto;

(d) “Currency of the Debt” means the currency specified in the relevant Contract as being the currency in which that Debt is to be paid;

(e) “Debt” means any debt to which, by virtue of the provisions of Article 2 and of the operation of the rules specified by Schedule 2, the provisions of this Agreement apply;

(f) “Debtor” means the Government of Mauritania (whether as primary debtor or as guarantor) or any person or body of persons or corporation resident or carrying on business in Mauritania or any successor in title thereto;

(g) “The Department” means the Secretary of State of the Government of the United Kingdom acting through the Export Credits Guarantee Department or any other Department of the Government of the United Kingdom which that Government may subsequently nominate for the purposes hereof;

(h) “Maturity” in relation to a Debt means the due date for payment or repayment thereof under the relevant Contract or on a promissory note or bill of exchange drawn up pursuant thereto;

---

<sup>1</sup> Came into force on 9 July 1986 by signature, in accordance with article 11.

- (i) "Transfer Scheme" means the Transfer Scheme specified by Schedule 1;
- (j) "United Kingdom" means the United Kingdom of Great Britain and Northern Ireland and includes the Channel Islands and the Isle of Man;
- (k) All references to interest, excluding contractual interest, shall be to interest accruing from day to day and calculated on the basis of actual days elapsed and a year of 365 days;
- (l) Where the context of this Agreement so allows words importing the singular include the plural and vice-versa;
- (m) Unless otherwise indicated reference to a specified Article or Schedule shall be construed as a reference to that specified Article or Schedule to this Agreement;
- (n) The headings to the Articles are for ease of reference only and do not form part of this Agreement.

#### *Article 2. THE DEBT*

(1) The provisions of this Agreement shall, subject to the provisions of paragraph (2) of this Article and the rules specified in paragraph (1) of Schedule 2, apply to every Debt, whether of principal or of contractual interest accruing up to Maturity, owed by a Debtor to a Creditor and which:

- (a) Arises under or in relation to a Contract or any agreement supplemental thereto;
- (b) Fell due or will fall due on or before 31 March 1986 and remains unpaid;
- (c) Is guaranteed by the Department as to payment according to the terms of the Contract; and
- (d) Is not expressed by the terms of the Contract to be payable in Mauritanian ouguiyas.

(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 Contract or upon or as a condition of the cancellation or termination of the Contract.

#### *Article 3. PAYMENTS IN MAURITANIAN OUGUIYAS IN RESPECT OF DEBTS*

In addition to the Debts owed by the Government of Mauritania as Debtor, where a Debtor has made a payment in Mauritanian ouguiyas in respect of any Debt, then:

- (a) Where the payment was made before entry into force of this Agreement, upon such entry into force, and
- (b) Where the payment was made subsequently, upon such payment, the payment of such Debt shall become the obligation of the Government of Mauritania. The payment of all such Debt by the Government of Mauritania to the Department shall be made in accordance with the provisions of Article 4.

#### *Article 4. PAYMENTS TO CREDITORS*

The Government of Mauritania shall pay and transfer to the Department on behalf of and as agent for each Creditor, and to an account details of which shall be notified by the Department to the Government of Mauritania, the amounts due to that Creditor in accordance with the Transfer Scheme and the rules set out in Schedules 1 and 2 respectively.

#### *Article 5. INTEREST*

(1) The Government of Mauritania shall be liable for and shall pay to the Department interest in accordance with the provisions of this Article on Debt to the extent that it has not been settled by payment to the Department, in the United Kingdom, pursuant to Article 4. In this respect the Department shall be regarded as acting as agent for each Creditor concerned.

(2) Interest on the balance of each Debt shall be deemed to have accrued and shall accrue during, and shall be payable in respect of, the period from Maturity until the settlement of that Debt by payment to the Department as aforesaid, and shall be paid and transferred to the Department, in the United Kingdom, in the Currency of the Debt half-yearly on 31 March and 30 September each year commencing on 31 March 1986.

(3) If any amount of any instalment payable in accordance with Article 4 is not paid on the due date for payment in accordance with the Transfer Scheme set out in Schedule 1 interest shall accrue in respect thereof after that date from day to day until the amount is paid and shall be due and payable without further notice or demand of any kind.

(4) If any amount of interest payable in accordance with the provisions of paragraph (2) of this Article is not paid on the due date for payment thereof the Government of Mauritania shall be liable for and shall pay to the Department interest on such amount of overdue interest. Such additional interest shall accrue from day to day from the due date for payment thereof in accordance with the provisions of paragraph (2) of this Article to the date of receipt of the payment by the Department and shall be due and payable, in the United Kingdom, in the Currency of the Debt, without further notice or demand of any kind.

(5) All interest payable in accordance with the provisions of this Article shall be paid at the rate of 0.5 per cent ('the margin') above the London Inter-Bank Offer Rate for the period in question. The method of calculation is set out in Schedule 2.

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

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

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

(1) If the Government of Mauritania 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 indebtedness the subject of this Agreement shall, subject to the provisions of paragraphs (2) and (3) of this Article, be no less favourable to any Creditor 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 SDR500,000.

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

*Article 8.* PRESERVATION OF RIGHTS AND OBLIGATIONS

This Agreement and its implementation shall not affect the rights and obligations of any Creditor or Debtor under a Contract other than those in respect of which the parties hereto are authorised to act respectively on behalf of and to bind such Creditor and Debtor.

*Article 9.* RULES

In the implementation of this Agreement the rules set out in Schedule 2 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 upon signature and shall remain in force until the last of the payments to be made to the Department under Articles 4 and 5 has been made.

*[For the testimonium and signatures, see p. 86 of this volume.]*

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

DONE in duplicate at London this 9th day of July 1986, in the English and French languages, both texts being equally authoritative.

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

EN FOI DE QUOI les soussignés, dûment autorisés à cet effet, ont signé le présent accord.

FAIT en double exemplaire à Londres le 9 juillet 1986, en langues anglais et française, les deux textes faisant également foi.

Pour le Gouvernement du Royaume-Uni de Grande-Bretagne et d'Irlande du Nord :

[Signed — Signé]<sup>1</sup>

For the Government of the Islamic Republic of Mauritania:

Pour le Gouvernement de la République islamique de Mauritanie :

[Signed — Signé]

TOURE ALY BADRE

<sup>1</sup> Signed by Lynda Chalker — Signé par Lynda Chalker.

## SCHEDULE 1

## TRANSFER SCHEME

(1) In respect of each Debt provided for in the Agreement which fell due, or will fall due, between 1 January 1985 and 31 March 1986 (both dates inclusive) and which remains unpaid, payment shall be made and transferred by the Government of Mauritania to the Department, in the United Kingdom, in the Currency of the Debt according to the following schedule:

- (a) 10 per cent by 4 equal and consecutive annual instalments on 31 March each year commencing on 31 March 1986; and
- (b) 90 per cent by 10 equal and consecutive half-yearly instalments on 1 January and 1 July each year commencing on 1 January 1990.

(2) In respect of each Debt provided for in the Agreement which fell due on or before 31 December 1984 and which remains unpaid, payment shall be made and transferred by the Government of Mauritania to the Department, in the United Kingdom, in the Currency of the Debt according to the following Schedule:

- (a) 10 per cent by 3 equal and consecutive annual instalments on 31 March each year commencing on 31 March 1986; and
- (b) 90 per cent by 8 equal and consecutive half-yearly instalments on 1 January and 1 July each year commencing on 1 January 1989.

## SCHEDULE 2

## RULES

(1) *Debt List*

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

(b) 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. The agreement of both the Department and of the Bank shall be necessary before the list may be amended or added to.

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

(2) *Calculation of Interest*

Interest shall be calculated on the outstanding amount of the Debt. The rate of interest applicable to each interest period shall be that rate per annum being the aggregate of

- (a) The margin (0.5 per cent as stated in paragraph (5) of Article 5); and
- (b) The rate quoted to the Department at its request by the Reference Bank (being a bank to be agreed upon by the Department and the Bank) at which six-month sterling deposits are offered to that Reference Bank by prime banks in the London Inter-Bank Market at 11 am (London time) two business days before the commencement of an interest period.

(3) *Transfer*

As and when payments become due under the terms of this Agreement the Government of Mauritania shall arrange for the necessary amounts to be transferred in the Currency of the Debt to the Department and shall give the Department full particulars of the Debts and/or interest to which the transfers relate.