

**No. 26989**

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**DENMARK  
and  
GUINEA**

**Agreement on financing. Signed at Copenhagen on 8 November 1985**

*Authentic text: French*

*Registered by Denmark on 20 December 1989*

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**DANEMARK  
et  
GUINÉE**

**Accord de financement. Signé à Copenhague le 8 novembre 1985**

*Texte authentique : français*

*Enregistré par le Danemark le 20 décembre 1989*

## [TRANSLATION — TRADUCTION]

AGREEMENT<sup>1</sup> ON FINANCING BETWEEN THE GOVERNMENT  
OF THE KINGDOM OF DENMARK AND THE GOVERNMENT  
OF THE REPUBLIC OF GUINEA

The Government of the Kingdom of Denmark and the Government of the Republic of Guinea, desiring to strengthen the traditional cooperation and cordial relations between their countries, have agreed that, as a contribution to the economic development of the Republic of Guinea, Danish financial assistance, by way of grant, shall be extended to the Government of the Republic of Guinea in accordance with the following provisions:

*Article I.* THE FUNDS

The Government of the Kingdom of Denmark (represented by the Danish International Development Agency (DANIDA)) shall make available to the Government of the Republic of Guinea, by way of grant, the amount of 75 (seventy-five) million Danish kroner for the execution of the projects listed in article II.

*Article II.* USE OF THE FUNDS

1. The funds shall be used to finance purchases in Denmark of Danish goods and services (including transport and insurance from Denmark to the project sites in the Republic of Guinea) for the following projects:

	<i>Millions of Danish kroner</i>
Improvement of the drinking water supply networks of Macenta and N'Zérékoré and training programme for local personnel from those towns .....	10
Provision of drinking water in the town of Kissidougou .....	53
Contingencies, possible price increases and additional feasibility studies which may be needed for future projects .....	<u>12</u>
TOTAL	75

The Government of the Republic of Guinea has confirmed that:

- The necessary local resources, estimated at 8 million sylis, will be available for the projects;
- Any necessary tariff changes will be made to ensure that income from the sale of water will at least cover all management and maintenance costs;
- The National Water Supply Company of Guinea (DEG) will promptly establish a local organization at Macenta whose members will be taught to build and manage the installations once the work has begun at Kissidougou;

<sup>1</sup> Came into force on 8 November 1985 by signature, in accordance with article XII.

— DEG and the various prefectures involved will conclude an agreement regarding payment for water used in public standpipes and by public institutions.

2. Any proposal for additional projects or for the substitution of new projects for any of the above-mentioned projects shall be subject to the approval of both Parties.

### *Article III.* REALIZATION OF THE PROJECTS

The projects shall be contracted for by DANIDA and implemented in accordance with the provisions of this Agreement. Any change in those procedures shall be subject to agreement between the Parties.

### *Article IV.* TRANSFER OF OWNERSHIP

Unless the Parties agree otherwise, the Government of the Republic of Guinea, or any third party designated by the Government of the Republic of Guinea and approved by DANIDA shall take over all rights and duties relating to the supplies financed by DANIDA after the contracts for the realization of the projects mentioned in article II have been fulfilled.

### *Article V.* SHIPMENT

All shipments of capital goods covered by this Agreement shall be in keeping with the principle of free circulation of ships in international trade in free and fair competition.

### *Article VI.* TAXES AND OTHER PUBLIC CHARGES

1. This Agreement shall be free from any present and future taxes imposed under existing or future laws or regulations of Guinea in connection with the issue, execution, registration or entry into force of the Agreement or otherwise.

2. The Government of the Republic of Guinea shall exempt the goods or services imported from Denmark under this Agreement from any import duty tax, national or other public charge such as import surcharges, duties to compensate for domestic excise taxes, and charges or deposits in connection with the issuance of payments licences or import licences.

### *Article VII.* COLLABORATION AND INFORMATION

1. Both Parties shall collaborate fully to ensure that the purposes of this Agreement be accomplished. To that end, they shall, at the request of either Party, exchange views with regard to matters relating to the projects financed under this Agreement, and shall provide all such information as might be reasonably requested with regard to such matters.

2. Each Party may send its own agents or duly authorized representatives to carry out any technical or financial mission it may consider necessary to follow the execution of the projects financed under this Agreement.

To facilitate the work of such missions, all relevant assistance, information and documentation shall be provided by both Parties.

3. Representatives of the Rigsrevisionen (the highest public auditing institution in Denmark) shall have the right to carry out any audit or inspection considered necessary as regards the use of the funds made available to the Government of the Republic of Guinea under this Agreement, on the basis of all relevant documentation.

4. The two Parties shall conduct joint project evaluations at the request of either Party.

#### *Article VIII.* SUSPENSION

1. In the event of non-fulfilment by the Government of the Republic of Guinea of any commitment or agreement between the Parties regarding this Agreement, DANIDA may suspend, in whole or in part, further financing according to this Agreement.

2. Notwithstanding any suspension under this article, all the other provisions of the Agreement shall continue in full force and effect.

#### *Article IX.* SETTLEMENT OF DISPUTES

1. Any dispute between the Parties arising out of the interpretation or administration of this Agreement which has not been settled within six months through the diplomatic channel shall, at the request of either Party, be submitted to an arbitral tribunal consisting of three members. The chairman of the tribunal shall be a citizen of a third country and shall be appointed by common consent of the Parties. Should the Parties fail to agree on the appointment of the chairman of the tribunal within two months, either Party may request the President of the International Court of Justice to make the appointment. Each Party shall appoint its own arbitrator; if either Party abstains from appointing an arbitrator, the latter may be appointed by the chairman of the tribunal.

2. Each Party shall observe and carry out awards handed down by the tribunal.

#### *Article X.* MISCELLANEOUS PROVISIONS

Any notices, requests or agreements under this Agreement shall be in writing.

#### *Article XI.* ADDRESSES

The following addresses are given for the purposes of this Agreement:

For the Government of the Republic of Guinea:  
Ministry of State for Planning and Natural Resources,  
Office of the Secretary of State for Energy  
Conakry

Telex  
2181 SEE-GE Conakry

For DANIDA:

Ministry of Foreign Affairs  
Danish International Development Agency  
Asiatisk Plads 2  
DK-1448 Copenhagen K

Telegrams:

ETRANGERES COPENHAGUE

Telex:

31292 ETR DK

*Article XII.* ENTRY INTO FORCE OF THE AGREEMENT

This Agreement shall enter into force on the date of its signature.

IN WITNESS WHEREOF the representatives of the two Parties, being duly authorized for that purpose, have signed this Agreement in duplicate in the French language.

DONE at Copenhagen, on 8 November 1985.

For the Government  
of the Kingdom of Denmark:

[*Signed*]

BJØRN OLSEN  
AMBASSADOR  
Director-General of DANIDA

For the Government  
of the Republic of Guinea:

[*Signed*]

JOSEPH BAGO ZOUMANIGUI  
Secretary of State for Energy

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