

No. 27205

**DENMARK
and
ANGOLA**

**Agreement on consolidation of debts (with appendix). Signed
at Bruxelles on 5 December 1989**

Authentic text: English.

Registered by Denmark on 3 May 1990.

**DANEMARK
et
ANGOLA**

**Accord sur la consolidation des dettes (avec annexe). Signé à
Bruxelles le 5 décembre 1989**

Texte authentique : anglais.

Enregistré par le Danemark le 3 mai 1990.

AGREEMENT¹ BETWEEN THE GOVERNMENT OF THE KINGDOM OF DENMARK AND THE GOVERNMENT OF THE PEOPLE'S REPUBLIC OF ANGOLA

The Government of the Kingdom of Denmark and the Government of the People's Republic of Angola have in accordance with the Agreed Minute, signed in Paris on July 20, 1989, as a result of the conference of Angola's debts, at which the Government of the Kingdom of Denmark and the Government of the People's Republic of Angola were represented, agreed as follows:

Article I. DEBTS CONCERNED

The present Agreement shall apply to the servicing of debts resulting from:

a) The Danish Government Loan to Angola of April 8, 1981 (hereinafter referred to as "the Loan").

b) Commercial credits guaranteed by the Danish Export Credit Agency "Eksportkreditrådet" (hereinafter referred to as "EKR"), pursuant to a contract concluded before December 31, 1986, and having an original maturity of more than one year, and which were extended to the Government of the People's Republic of Angola or its public sector or covered by the guarantee of the Government of the People's Republic of Angola or its public sector.

c) Repayment of principal and interest due as a result of the Agreement concluded on May 27, 1988, between the Government of Kingdom of Denmark and the Government of the People's Republic of Angola.

Article II. TERMS OF CONSOLIDATION

A. Amounts due from July 1, 1989, up to September 30, 1990, inclusive

1. (a) The Government of the Kingdom of Denmark commits itself to reschedule 100 per cent of the amounts of principal on the Loan mentioned in Article I(a) and not paid;

(b) And 100 per cent of the amounts of principal and contractual interest (excluding late interest) and not paid on Commercial Credits guaranteed by EKR and mentioned in Article I(b).

2. The Government of the Kingdom of Denmark furthermore commits itself to reschedule 100 per cent of the moratorium interest (excluding late interest) due from July 1, 1989, up to December 31, 1989, inclusive and not paid and 50 per cent of the moratorium interest (excluding late interest) due from January 1, 1990, up to September 30, 1990, inclusive and not paid on the consolidation mentioned in Article I(c).

3. The Government of the People's Republic of Angola will pay 50 per cent of the moratorium interest on due date.

4. Repayment by the Government of the People's Republic of Angola of the corresponding sums will be made in 8 equal and successive semi-annual payments, the first to be made on September 30, 1996, and the final payment to be made on March 31, 2000.

¹ Came into force on 5 December 1989 by signature, in accordance with article IX.

B. Amounts due as at June 30, 1989, and not paid

1. (a) The Government of the Kingdom of Denmark commits itself to reschedule 100 per cent of the amounts of principal on the Loan mentioned in Article I(a);

(b) And 100 per cent of the amounts of principal and contractual interest (excluding late interest) on Commercial Credits guaranteed by EKR and mentioned in Article I(b).

2. Repayment by the Government of the People's Republic of Angola of the corresponding sums will be made in 8 equal and successive semi-annual payments, the first payment to be made on September 30, 1996, and the final payment to be made on March 31, 2000.

Article III. DEBTS INVOLVED

The debts involved are agreed to be:

Article II, A(1)

The Loan mentioned in Article I(a)	DKK	3,340,000
Commercial Credits mentioned in Artikel I(b)	DKK	22,233,059.54
	DEM	1,123,301.50

Article II, A(2)

Commercial Credits mentioned in Article I(c) and due from July 1, 1989, up to December 31, 1989 (100 per cent)	DKK	2,674,716.97
	DEM	102,183.39
Commercial Credits mentioned in Article I(c) and due from January 1, 1990, up to September 30, 1990 (50 per cent)	DKK	1,330,050.52
	DEM	50,812.50

Article II, B

The Loan mentioned in Article I(a)	DKK	5,010,000
Commercial Credits mentioned in Article I(b)	DKK	49,365,649.68
	DEM	2,555,473.88

These amounts are specified in the Appendix. The Appendix is an integral part of the Agreement.

The Appendix is subject to reconciliation, verification and confirmation by the Banco Nacional de Angola, hereinafter referred to as "the B.N.A." at any time before December 31, 1989.

If needed, the Appendix may be altered, amended or added to by agreement between EKR and B.N.A., which parties shall act on behalf of their respective Governments.

Article IV. INTEREST

The Government of the People's Republic of Angola shall be liable for and shall pay in interest in accordance with the provisions of this Article except for the Loan which shall continue to be free of interest.

Interest shall be calculated on the outstanding amounts on the basis of a 365-day year.

Interest shall accrue on each individual debt from the original maturity date and shall be payable until the settlement of the debt by payment to EKR and shall be paid and transferred to EKR in the currencies in which the corresponding contracts or credits were originally denominated.

The interest amounts shall be paid semi-annually in arrears on March 31 and September 30 each year, commencing on March 31, 1990.

The interest rates are agreed to be:

- a) Until December 31, 1989, the interest charges are the late interest rates stated in the original loan agreements.
- b) From January 1, 1990, the interest charges are:
 - On Danish Kroner (DKK): 10,50 per cent p.a.;
 - On German Marks (DEM): . . .

The rate of interest on debts owed in DEM will be determined by the Government of the Kingdom of Denmark on the second business day prior to the commencement of the relevant interest period in the following way:

The Government of the Kingdom of Denmark will request three prime banks in the London Interbank Market to inform the Government of the Kingdom of Denmark of the rate at which six-month DEM deposits are offered to them as of 11.00 A.M. (London Time) on such interest determination date. The Government of the Kingdom of Denmark will then calculate the arithmetic mean of the quotations (if necessary, rounded up to the nearest 1/16th of the one per cent), and then add 7/16 per cent.

In the event that an amount payable under Articles II and IV has not been received by EKR in Copenhagen within 30 days of the due date thereof interest shall be paid on such amount from the due date up to and including the day of actual payment at the rate determined in this Article added 1%.

Article V. PAYMENTS

The payments referred to in Article II concerning the Loan shall be made [to] Account No. 8059-6 of the Danish Ministry of Foreign Affairs with Danmarks Nationalbank.

The payments referred to in Articles II and IV concerning the Commercial Credits shall be paid to the account of EKR, Account No. 6344-5 with Danmarks Nationalbank, Havnegade 5, DK-1058 Copenhagen K, Denmark.

All payments shall be made without deduction for taxes, fees or other public charges or any other costs accruing outside the Kingdom of Denmark.

Article VI. NON-RESCHEDULED DEBT

The Government of the People's Republic of Angola undertakes to transfer all amounts due as at June 30, 1989, including late interest as at June 30, 1989, and not paid as follows:

- 50 per cent at June 30, 1990;
- 50 per cent at June 30, 1991.

From July 1, 1989, moratorium interest shall be paid according to the interest rates mentioned in Article IV. Late interest on other currencies than those mentioned in Article IV shall be based on a 6-month LIBOR rate + 7/16 per cent.

Article VII. IMPLEMENTATION

The Danish institution responsible for the implementation of this Agreement is EKR. The address is:

Eksportkreditraadet
Codanhus
60, G1. Kongevej
DK-1850 Frederiksberg C
Denmark
Phone: 45-31-31 38 25
Telex: 22910 defdk
Telefax: 45-31-31 24 25.

The Angolan institution responsible for the implementation of this Agreement is the B.N.A. The address is:

Banco Nacional de Angola
Av. 4 Fevereiro
Luanda
People's Republic of Angola
Phone: 391033
Telex: 3005 AN
Telefax: 244-2-33 72 96 or 39 05 79.

Article VIII. COMPARABILITY OF TREATMENT

Notwithstanding the provisions and terms of the present agreement the Government of the People's Republic of Angola commits itself to accord to the Government of The Kingdom of Denmark a not less favourable treatment than might be accorded to any other creditor nation or bank in connection with restructuring of debts similar in nature to those embraced by the present Agreement.

Article IX. ENTRY INTO FORCE AND DURATION

The present Agreement shall enter into force on signature and shall remain in force until the last payment under Articles II and IV have been made.

DONE in duplicate in the English language on this day of Dec. 5, 1989.

For the Government
of the Kingdom of Denmark:

[Signed]

CARL JOHAN LIEBE
Minister Counsellor
Minister of Foreign Affairs

For the Government
of the People's Republic
of Angola:

[Signed]

MARIA MADALENA RAMALHO
Head of Department
Ministry of Finance

APPENDIX I TO BILATERAL AGREEMENT BETWEEN THE PEOPLE'S
REPUBLIC OF ANGOLA AND THE KINGDOM OF DENMARK

Table I. Debts falling due from July 1 until September 30, 1990, incl.

Table II. Arrears as at June 30, 1989

Table III. Previously Rescheduled debt

Table IV. Arrears on short-term credits and post cut-off date credits due prior to
June 30, 1989

TABLE I. DEBT FALLING DUE FROM JULY 1 UNTIL SEPTEMBER 30, 1990 INCL.

<i>Lending Bank/Exporter</i>	<i>Borrower/Buyer</i>	<i>Due date</i>	<i>P</i>	<i>I</i>	<i>T</i>
11887-12026	Banque National de Angola	31.12.89	DKK 9.687.500,00	1.633.176,88	11.320.676,88
Handelsbanken		30.06.90	DKK 9.687.500,00	1.244.882,66	10.912.382,66
11887-12062	Banque National de Angola	31.12.89	DEM 479.315,46	95.204,91	574.520,37
Handelsbanken		30.06.90	DEM 479.315,46	69.465,67	548.781,13
Total Table I			DKK 19.375.000,00	DKK 2.858.059,54	DKK 22.233.059,54
			DEM 958.630,92	DEM 164.670,58	DEM 1.123.301,50

TABLE II. ARREARS AS AT JUNE 30, 1989

<i>Lending Bank/Exporter</i>	<i>Borrower/Buyer</i>	<i>Due date</i>		<i>P</i>	<i>I</i>	<i>T</i>
11887-12026 Handelsbanken	Banque National de Angola	31.12.87	DKK	9.687.500,00	3.266.353,75	12.953.853,75
		30.06.88	DKK	9.687.500,00	2.858.059,53	12.545.559,53
		31.12.88	DKK	9.687.500,00	2.449.765,31	12.137.265,31
		30.06.89	DKK	9.687.500,00	2.041.471,09	11.728.971,09
11887-12062 Handelsbanken	Banque National de Angola	31.12.87	DEM	479.315,46	198.161,87	677.477,33
		30.06.88	DEM	479.315,46	172.422,63	651.738,09
		31.12.88	DEM	479.315,46	146.683,39	625.998,85
		30.06.89	DEM	479.315,46	120.944,15	600.259,61
Total Table II			DKK	38.750.000,00	10.615.649,18	49.365.649,68
			DEM	1.917.261,84	638.212,04	2.555.473,88

TABLE III. PREVIOUSLY RESCHEDULED DEBT

<i>Type of debt</i>	<i>100%</i>		<i>50%</i>
Interest due 30.11.1989	DKK 2.674.716,97		
	DEM 102.183,39		
Interest due 31.05.1990	DKK 2.660.101,03		DKK 1.330.050,52
	DEM 101.625,01 (estimated)		DEM 50.812,50
TOTAL	DKK 5.334.818,00		DKK 1.330.050,52
	DEM 203.808,40		DEM 50.812,50

TABLE IV. ARREARS ON SHORT-TERM CREDITS AND POST CUT-OFF DATE CREDITS
DUE PRIOR TO JUNE 30, 1989

<i>Exporter</i>	<i>Buyer</i>	<i>Due date</i>		
10003-12149		08.05.89	DEM	774.177,88
Sabroe Refrigeration A/S	E.N.A.T.I.P	08.05.89	<u>DEM</u>	<u>208.928,58</u>
			Total DEM	983.106,46
10841-12540				
Tulip Slagterierne A.M.B.A.	UEEMATEC/MIWDEF	02.04.88	USD	200.523,00
11925-12049				
The Borden Company A/S	Importang + UEE	21.05.89	NLG	2.162.219,00