

No. 27037

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

**Exchange of notes constituting an agreement concerning certain commercial debts (with annex). Libreville, 13 July and 9 September 1987**

*Authentic texts: English and French.*

*Registered by the United Kingdom of Great Britain and Northern Ireland on 19 January 1990.*

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

**Échange de notes constituant un accord relatif à certaines dettes commerciales (avec annexe). Libreville, 13 juillet et 9 septembre 1987**

*Textes authentiques : anglais et français.*

*Enregistré par le Royaume-Uni de Grande-Bretagne et d'Irlande du Nord le 19 janvier 1990.*

[TRADUCTION — TRANSLATION]

EXCHANGE OF NOTES CONSTITUTING AN AGREEMENT<sup>1</sup> BETWEEN THE GOVERNMENT OF THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND AND THE GOVERNMENT OF THE REPUBLIC OF GABON CONCERNING CERTAIN COMMERCIAL DEBTS

ÉCHANGE DE NOTES CONSTITUANT UN ACCORD<sup>1</sup> ENTRE LE GOUVERNEMENT DU ROYAUME-UNI DE GRANDE-BRETAGNE ET D'IRLANDE DU NORD ET LE GOUVERNEMENT DE LA RÉPUBLIQUE DU GABON RELATIF À CERTAINES DETTES COMMERCIALES

## I

*The British Chargé d'affaires at Libreville  
to the Minister of Finance, Budget and Participation of Gabon*

BRITISH EMBASSY  
LIBREVILLE

13 July 1987

Sir,

I have the honour to refer to the Agreed Minute on the Consolidation of the Debt of the Republic of Gabon which was signed at the Conference held in Paris on 21 January 1987, and to inform you that the Government of the United Kingdom of Great Britain and Northern Ireland is prepared to provide debt relief to the Government of the Republic of Gabon on the terms and conditions set out in the attached Annex.

If these terms and conditions are acceptable to the Government of the Republic of Gabon, I have the honour to propose that this Note, together with its Annex and your reply to that effect shall constitute an Agreement between the two Governments in this matter, which shall be known as "the United Kingdom/Republic of Gabon Debt Agreement No. 1 (1987)", and which shall enter into force on the date of your reply.

I have the honour to convey to you the assurance of my highest consideration.

JOHN CUMMINS

<sup>1</sup> Came into force on 9 September 1987, the date of the note in reply, in accordance with the provisions of the said notes.

<sup>1</sup> Entré en vigueur le 9 septembre 1987, date de la note de réponse, conformément aux dispositions desdites notes.

## ANNEX

*Section 1. DEFINITIONS AND INTERPRETATION*

(1) In this Annex, unless the contrary intention appears:

(a) "Agreed Minute" means the Agreed Minute on the Consolidation of the Debt of the Republic of Gabon which was signed at the Conference held in Paris on 21 January 1987.

(b) "The Caisse" means the Caisse Autonome d'Amortissement of the Republic of Gabon or any other institution which the Republic of Gabon may nominate for the purposes of this Annex.

(c) "The Consolidation Period" means the period from 21 September 1986 to 31 December 1987 inclusive.

(d) "Contract" means a contract, and any agreement supplemental thereto, all of which were entered into before 1 July 1986, the parties to which include a Debtor and a Creditor and which is either for the sale of goods and/or services from outside Gabon to a buyer in Gabon, or is in respect of the financing of such a sale, and which in either case granted or allowed credit to the Debtor for a period exceeding one year.

(e) "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.

(f) "Currency of the Debt" means the currency specified in the relevant Contract as being the currency in which that Debt is to be paid.

(g) "Debt" means any debt to which, by virtue of the provisions of Section 2(1), the provisions of this Annex apply.

(h) "Debtor" means the Republic of Gabon, or any person or body of persons or corporation in Gabon or any successor in title thereto to whom the Republic of Gabon has extended its guarantee.

(i) "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 purpose hereof.

(j) "The Republic of Gabon" means the Government of the Republic of Gabon.

(k) "The Government of the United Kingdom" means the Government of the United Kingdom of Great Britain and Northern Ireland.

(l) "The Loan Agreements" means the agreements to be entered into between the parties of the Loans.

(m) "The Loans" means the refinancing loans specified in Section 3.

(n) "Maturity" in relation to a Debt means the due date for the payment or repayment thereof under the relevant Contract, or on a promissory note or bill of exchange drawn up pursuant thereto.

(o) "Non-Refinanced Debt" means any Debt which is not refinanced in accordance with Section 3(1) and any Debt which is to be refinanced, prior to such refinancing.

(p) "Recognised Bank" means a bank, including a Bank participating in a lending syndicate or in a syndicate led by banks, which has received a guarantee issued by the Department in respect of a loan or financial agreement.

(q) "Reference Rate" means the rate quoted to the Department by the Reference Bank (being a bank to be agreed upon by the Department and the Caisse) at which six-month sterling deposits are offered to the Reference Bank by prime banks in the London interbank market at 11. A.M. (London time) two business days before 15 May and 15 November in each year.

(r) "United Kingdom" means the United Kingdom of Great Britain and Northern Ireland, and for the purposes of Sections 1(1) (e) and 6 of this Annex includes the Channel Islands and the Isle of Man.

(s) "United Kingdom Bank" means a bank carrying on business in the United Kingdom or a syndicate led by such a bank.

(2) 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.

(3) Where the context of this Annex so allows, words importing the singular include the plural and vice versa.

(4) Unless otherwise indicated, reference to a specified Section shall be construed as a reference to that specified Section of this Annex.

(5) The headings to the Sections are for ease of reference only.

### Section 2. THE DEBT

(1) The provisions of this Annex shall, subject to the provisions of paragraph (2) of this Section and paragraph 3 of Section IV of the Agreed Minute, apply to any amount, 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;
- (b) Fell due or will fall due for payment during the Consolidation Period and remains unpaid;
- (c) Is guaranteed by the Department as to payment according to the terms of the Contract;
- (d) Is not expressed by the terms of the Contract to be payable in CFA francs; and
- (e) Does not arise from an amount payable upon, or as a condition of, the formation of the Contracts, or as a condition of the cancellation or termination of the Contract.

(2) The Department and the Caisse shall, as soon as possible, agree and draw up a list of Debts ("the Debt List") to which, by virtue of the provisions of this Section, this Annex applies. The Debt may be reviewed from time to time at the request of the Department or of the Caisse, but may not be added to or amended without the agreement of both the Department and the Caisse. Delay in the completion of the Debt List shall neither prevent nor delay the implementation of the other provisions of this Annex.

### Section 3. REFINANCING LOANS

(1) The Department shall use its best endeavours to procure to Loan or series of Loans, denominated in sterling, shall be arranged between a United Kingdom Bank or other lending institution and the Republic of Gabon to provide for payments to be made in respect of those Debts which are the subject of a loan or financial agreement where the Creditor is a Recognised Bank. The terms of the Loans shall, in accordance with the Agreed Minute, provide for the refinancing of 100 per cent of amounts of eligible principal and contractual interest.

(2) Repayment of the Loans by the Republic of Gabon shall be made as follows:

- (i) 2.5 per cent of contractual interest of 30 June 1988;
- (ii) 2.5 per cent of contractual interest on 30 June 1989;
- (iii) 2.5 per cent of contractual interest on 30 June 1990;
- (iv) 2.5 per cent of contractual interest on 30 June 1991; and
- (v) 100 per cent of principal and 90 per cent of contractual interest by twelve equal and consecutive half-yearly instalments commencing 15 November 1991.

(3) The rate of interest applicable to the Loans shall be 0.5 per cent above the London Interbank Offered Rate, as will be defined in the Loan Agreements.

#### Section 4. TRANSFER SCHEME FOR NON-REFINANCED DEBT

The Republic of Gabon shall pay to the Department in accordance with the provisions of Section 6(1) in respect of each Debt which is not the subject of a Loan:

- (i) 2.5 per cent of contractual interest of 30 June 1988;
- (ii) 2.5 per cent of contractual interest on 30 June 1989;
- (iii) 2.5 per cent of contractual interest on 30 June 1990;
- (iv) 2.5 per cent of contractual interest on 30 June 1991; and
- (v) 100 per cent of principal and 90 per cent of contractual interest by twelve equal and consecutive half-yearly instalments commencing 15 November 1991.

#### Section 5. INTEREST OF NON-REFINANCED DEBT

(1) Interest on the balance of each Non-Refinanced 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 in accordance with Section 4 or the refinancing of that Debt in accordance with Section 3(1).

(2) The Republic of Gabon shall be liable for and shall pay to the Department in accordance with the provisions of Section 6(1) and of this Section Interest on each Non-Refinanced Debt to extent that it has not been settled by payment to the Department pursuant to Section 4 or refinanced pursuant to Section 3(1). Such interest shall be paid and transferred to the Department half-yearly on 15 May and 15 November each year commencing on 15 November 1987.

(3) If any amount of interest payable in accordance with the provisions of paragraph (2) of this Section is not paid on the due date for payment thereof, the Republic of Gabon 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 for payment thereof in accordance with the provisions of paragraph (2) of this Section to the date of receipt of the payment by the Department, and shall be due and payable without further notice or demand of any kind.

(4) All interest payable in accordance with the provisions of this Section shall be paid at the rate of 0.5 per cent above the Reference Rate for the period in question.

#### Section 6. PAYMENTS TO THE DEPARTMENT

(1) As and when payments become due under the terms of Sections 3 and 4, the Caisse shall arrange for the necessary amounts, without deduction for taxes, fees, other public charges or any other costs accruing inside or outside Gabon, to be paid and transferred in the Currency of the Debt to the Department in the United Kingdom to an account, details of which shall be notified by the Department to the Caisse. In this respect the Department shall be regarded as acting as agent for each Creditor concerned.

(2) The Caisse shall give the Department full particulars of the Debts and/or interest to which the transfers relate.

(3) The Republic of Gabon undertakes to comply with the conditions of Section III paragraph 8 of the Agreed Minute.

#### Section 7. EXCHANGE OF INFORMATION

The Department and the Caisse shall exchange all information required for the implementation of this Annex.

#### Section 8. OTHER DEBT SETTLEMENTS

(1) The Republic of Gabon undertakes to comply with the conditions of Section III, paragraphs 1-3 and 6-7 of the Agreed Minute, so as to accord to the United Kingdom terms

no less favourable than those agreed with any other creditor country, notwithstanding any provision of this Annex to the contrary.

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

*Section 9. PRESERVATION OF RIGHTS AND OBLIGATIONS*

This Annex and its implementation shall not affect the rights and obligations of any Creditor or Debtor under a Contract, other than those rights and obligations in respect of which the Government of the United Kingdom and the Republic of Gabon are authorised to act respectively or behalf of, and to bind, such Creditor and Debtor.

[TRANSLATION<sup>1</sup> — TRADUCTION<sup>2</sup>]

MINISTRY OF FINANCE, BUDGET AND PARTICIPATIONS  
LIBREVILLE

9 September 1987

Mr. Chargé d'Affaires,

I have the honour to acknowledge receipt of Your Note of 13 July which, in translation, reads as follows:

[*See note I*]

I have the honour to confirm the terms and conditions set out in the Annex to your Note are acceptable to the Government of the Gabonese Republic and that your Note, together with its Annex and this reply shall constitute an Agreement between our two Governments which shall be known as 'the United Kingdom/Gabon Debt Agreement No. 1 (1987)', and which shall enter into force today.

I have the honour to convey to Your Excellency the assurance of my highest consideration.

JEAN-PIERRE LEMBOUMBA-LEPANDOU

[*Annex as under note I — Annexe comme sous note I*]

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<sup>1</sup> Translation supplied by the Government of the United Kingdom.

<sup>2</sup> Traduction fournie par le Gouvernement du Royaume-Uni.