

**No. 27563**

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

**Exchange of notes constituting an agreement concerning certain commercial debts (the United Kingdom/Morocco Debt Agreement No. 3 (1987)) (with annex). Rabat, 16 November 1988**

*Authentic texts: English and French.*

*Registered by the United Kingdom of Great Britain and Northern Ireland on 20 September 1990.*

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

**Échange de notes constituant un accord relatif à certaines dettes commerciales (Accord n° 3 [1987] entre le Royaume-Uni et le Maroc relatif à des dettes) [avec annexe]. Rabat, 16 novembre 1988**

*Textes authentiques : anglais et français.*

*Enregistré par le Royaume-Uni de Grande-Bretagne et d'Irlande du Nord le 20 septembre 1990.*

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 KINGDOM OF MOROCCO CONCERNING CERTAIN COMMERCIAL DEBTS (THE UNITED KINGDOM/MOROCCO DEBT AGREEMENT No. 3 (1987))

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 DU ROYAUME DU MAROC RELATIF À CERTAINES DETTES COMMERCIALES (ACCORD N° 3 [1987] ENTRE LE ROYAUME-UNI ET LE MAROC RELATIF À DES DETTES)

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*Her Majesty's Ambassador at Rabat to the Head of the Department of the External Debt, Ministry of Finance, of the Kingdom of Morocco*

BRITISH EMBASSY

RABAT

16 November 1988

Your Excellency,

I have the honour to refer to the Agreed Minute on the Consolidation of the Debt of the Kingdom of Morocco which was signed at the Conference held in Paris on 6 March 1987 and to inform Your Excellency that the Government of the United Kingdom of Great Britain and Northern Ireland is prepared to provide debt relief to the Government of the Kingdom of Morocco on the terms and conditions set out in the attached Annex.

If these terms and conditions are acceptable to the Government of the Kingdom of Morocco, 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/Morocco Debt Agreement No. 3 (1987)' and shall enter into force on the date of your reply.

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

J. W. R. SHAKESPEARE

<sup>1</sup> Came into force on 16 November 1988, the date of the note in reply, in accordance with the provisions of the said notes.

<sup>1</sup> Entré en vigueur le 16 novembre 1988, 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 Kingdom of Morocco which was signed at the Conference held in Paris on 6 March 1987.
- (b) “The Consolidation Period” means the period from 1 March 1987 to 30 June 1988 inclusive.
- (c) “Contract” means a contract and any agreement supplemental thereto, all of which were entered into before 1 May 1983, the parties to which include a Debtor and a Creditor and which is either for the sale of goods and/or services from outside Morocco to a buyer in Morocco, 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.
- (d) “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.
- (e) “Currency of the Debt” means the currency specified in the First Agreement or the Second Agreement or the relevant Contract as being the currency in which that Debt is to be paid.
- (f) “Debt” means any debt to which, by virtue of the provisions of Section 2(1), the provisions of this Annex apply.
- (g) “Debtor” means the Government of Morocco, whether as primary debtor or guarantor or any public sector body carrying on business in Morocco or any successor in title thereto.
- (h) “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.
- (i) “The First Agreement” means the Agreement between the Government of the United Kingdom of Great Britain and Northern Ireland and the Government of the Kingdom of Morocco on Certain Commercial Debts signed on 17 October 1984.<sup>1</sup>
- (j) “The Government of Morocco” means the Government of the Kingdom of Morocco.
- (k) “The Government of the United Kingdom” means the Government of the United Kingdom of Great Britain and Northern Ireland.
- (l) “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.
- (m) “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 Government of Morocco) at which six-month sterling deposits, in the case of Debts denominated in sterling, and six-month Deutschmark deposits, in the case of Debts denominated in Deutschmarks, are offered to that Reference Bank by prime banks in the London interbank market at 11 AM (London time) two business days before 15 March and 15 September in each year.
- (n) “The Second Agreement” means the Agreement between the Government of the United Kingdom of Great Britain and Northern Ireland and the Government of the Kingdom of Morocco on Certain Commercial Debts signed on 25 February 1987.<sup>2</sup>

<sup>1</sup> United Nations, *Treaty Series*, vol. 1416, p. 263.

<sup>2</sup> *Ibid.*, vol. 1655, No. I-28484.

(o) “United Kingdom” means the United Kingdom of Great Britain and Northern Ireland, and for the purposes of Sections 1(1)(d) and 8 of this Annex includes the Channel Islands and the Isle of Man.

(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:

(a) 50 per cent of amounts of principal and interest payable under the First Agreement, which fell due or will fall due during the Consolidation Period and which remain unpaid;

(b) Any amount, whether of principal or interest, payable under the Second Agreement, which fell due or will fall due during the Consolidation Period and which remains unpaid;

(c) Any other amount, whether of principal or contractual interest accruing up to Maturity, owed by a Debtor to a Creditor, and which:

- (i) Arises under or in relation to a Contract;
- (ii) Fell due or will fall due for payment during the Consolidation Period and remains unpaid;
- (iii) Is guaranteed by the Department as to payment according to the terms of the Contract;
- (iv) Is not expressed by the terms of the Contract to be payable in Moroccan dirhams; and
- (v) Does not arise from an amount payable upon, or as a condition of, the formation of the Contract, or as a condition of the cancellation or termination of the Contract.

(2) The Department and the Government of Morocco 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 List may be reviewed from time to time at the request of the Department or of the Government of Morocco, but may not be added to or amended without the agreement of both the Department and the Government of Morocco. Delay in the completion of the Debt List shall neither prevent nor delay the implementation of the other provisions of this Annex.

## *Section 3*

### PAYMENTS UNDER THE FIRST AND THE SECOND AGREEMENT

The provisions of the First Agreement and the Second Agreement in so far as they relate to the payment of any Debt shall cease to apply upon entry into force of this Annex.

## *Section 4*

### TRANSFER SCHEME

The Government of Morocco shall pay to the Department in accordance with the provisions of Section 6(1) the following:

(a) In respect of each Debt provided for by Section 2(1)(a) or Section (2)(b): 100 per cent by eight equal and consecutive half-yearly instalments commencing on 1 January 1990;

(b) In respect of each Debt provided for by Section 2(1)(c): 100 per cent by ten equal and consecutive half-yearly instalments commencing on 15 March 1993.

### *Section 5*

#### INTEREST

(1) 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, or, in the case of a Debt specified in Section 2(1)(a) or Section (2)(1)(b), from the due date for payment or repayment thereof under or in relation to the relevant Contract or any agreement supplemental thereto, until the settlement of that Debt by payment to the Department in accordance with Section 4.

(2) The Government of Morocco 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 Debt to the extent that it has not been settled by payment to the Department in the United Kingdom pursuant to Section 4. Such interest shall be paid and transferred to the Department half-yearly on 15 March and 15 September each year commencing on 15 March 1988.

(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 Government of Morocco 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 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 in the Currency of the Debt 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 4 and 5, the Government of Morocco shall arrange for the necessary amounts, without deduction for taxes, fees, other public charges or any other costs accruing inside or outside Morocco, 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 Government of Morocco. In this respect the Department shall be regarded as acting as agent for each Creditor concerned.

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

(3) The Government of Morocco undertakes to comply with the conditions of paragraphs 8 and 9 of Section III of the Agreed Minute.

### *Section 7*

#### EXCHANGE OF INFORMATION

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

*Section 8*

## OTHER DEBT SETTLEMENTS

(1) The Government of Morocco undertakes to comply with the conditions of paragraphs 1, 2, 3 and 7 of Section III of the Agreed Minute and agrees 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 Government of Morocco are authorised to act respectively on behalf of, and to bind, such Creditor and Debtor.