

No. 27643

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

Exchange of notes constituting an agreement concerning certain commercial debts (with annex). Libreville, 22 September and 12 October 1988

Authentic texts: English and French.

Registered by the United Kingdom of Great Britain and Northern Ireland on 23 November 1990.

**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, 22 septembre et 12 octobre 1988

Textes authentiques : anglais et français.

Enregistré par le Royaume-Uni de Grande-Bretagne et d'Irlande du Nord le 23 novembre 1990.

EXCHANGE OF NOTES CONSTITUTING AN AGREEMENT¹ 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 ACCORD¹ ENTRE LE GOUVERNEMENT DU ROYAUME-UNI DE GRANDE-BRETAGNE ET D'IRLANDE DU NORD ET LE GOUVERNEMENT DE LA RÉPUBLIQUE GABONAISE RELATIF À CERTAINES DETTES COMMERCIALES

I

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

BRITISH EMBASSY
LIBREVILLE

22 September 1988

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 March 1988, 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. 2 (1988)' 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.

I. M. THOM

¹ Came into force on 12 October 1988, the date of the note in reply, in accordance with the provisions of the said notes.

¹ Entré en vigueur le 12 octobre 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 Republic of Gabon which was signed at the Conference held in Paris on 21 March 1988;
 - (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 1 January 1988 to 31 December 1988 inclusive;
 - (d) “Contract” means a contract, or any agreement supplemental thereto, entered into before 1 July 1986, the parties to which include the 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 (whether as primary debtor or as guarantor);
 - (i) “the Department” means the Secretary of State of Her Britannic Majesty’s Government acting through the Export Credits Guarantee Department or any other Department of Her Britannic Majesty’s Government which that Government may nominate for the purpose hereof;
 - (j) “Gabon” means 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) “Loan Agreement” means an agreement to be entered into between the parties to a Loan;
 - (m) “Loan” means a refinancing loan 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 in accordance with Section 3(1) prior to such refinancing;

- (p) “Previous Agreement” means the United Kingdom/Republic of Gabon Debt Agreement No. 1 (1987);¹
- (q) “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;
- (r) “the Republic of Gabon” means the Government of the Republic of Gabon;
- (s) “United Kingdom” means the United Kingdom of Great Britain and Northern Ireland, and for the purposes of Section 1(l)(e) of this Annex includes the Channel Islands and the Isle of Man;
- (t) “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 Section IV paragraph 3 of the Agreed Minute, apply to any amount, whether of principal or of contractual interest accruing up to Maturity, owed by the 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 under the Previous Agreement nor to any payments due under the terms of the Loans as defined in the Previous Agreement.
- (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 List may be reviewed from time to time at the request of the Department or of the Caisse, but shall not be added to or amended without the agreement of both the

¹ United Nations, *Treaty Series*, vol. 1556, p. 83.

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.

(3) The provisions of this Annex shall not apply to any amount payable upon or as a condition of, the formation of a Contract, or as a condition of the cancellation or termination of a Contract.

SECTION 3

Refinancing Loans

(1) The Department shall use its best endeavours to procure that a 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 each Loan shall, in accordance with the Agreed Minute, provide for the refinancing of 100 per cent of amounts of principal and contractual interest which fell due, or will fall due, during the Consolidation Period and which remain unpaid.

(2) Repayment of each Loan by the Republic of Gabon shall be made by ten equal and consecutive half-yearly instalments commencing on 31 December 1993.

(3) The rate of interest applicable to each Loan shall be 10.50 per cent per annum and such interest shall be payable half-yearly in arrears.

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 fell due, or will fall due, during the Consolidation Period which is not the subject of a Loan 100 per cent of principal and contractual interest by ten equal and consecutive half-yearly instalments commencing on 31 December 1993.

SECTION 5

Interest on Non-Refinanced Debt

(1) Interest shall be deemed to have accrued and shall accrue on the unpaid portion of each Debt 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 the 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 to the Department half-yearly on 30 June and 31 December each year commencing on 31 December 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 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 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 at the rate of 10·50 per cent per annum.

SECTION 6

Payments to the Department

(1) As and when payments become due under the terms of Sections 3, 4 and 5 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 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 7 of the Agreed Minute and agrees to accord to the Government of 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 Sections 3(3) and 5.

SECTION 9

Preservation of Rights and Obligations

The Annex and its implementation shall not affect the rights and obligations of any Creditor under a Contract, other than those rights and obligations in respect of which the Government of the United Kingdom is authorised to act on behalf of, and to bind, such Creditor.

[TRANSLATION¹ — TRADUCTION²]

MINISTRY OF FINANCE, BUDGET AND PARTICIPATIONS
LIBREVILLE

12 October 1988

No. 001638/MFB/PART/CAA

Mr. Chargé d'Affaires,

I have the honour to acknowledge receipt of your Note of 22 September 1988 which in translation reads as follows:

[*See note I*]

I have the honour to confirm that the terms and conditions set out in the Annex to your Note are acceptable to the Government of the Republic of Gabon and that your Note, together with its Annex and this reply, shall constitute an Agreement between our two Governments in this matter which shall be known as “the United Kingdom/Republic of Gabon Debt Agreement No. 2 (1988)” and which shall enter into force today.

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

JEAN-PIERRE LEMBOUMBA LEPANDOU

[*Annex as under note I*]

¹ Translation supplied by the Government of the United Kingdom.

² Traduction fournie par le Gouvernement du Royaume-Uni.