

No. 29463

**UNITED KINGDOM OF GREAT BRITAIN
AND NORTHERN IRELAND
and
BURKINA FASO**

Exchange of notes constituting an agreement concerning certain commercial debts (the United Kingdom/Burkina Faso Debt Agreement No. 1 (1991)) (with annex). Abidjan, 27 November 1991 and Ouagadougou, 13 January 1992

Authentic text: French.

Registered by the United Kingdom of Great Britain and Northern Ireland on 19 January 1993.

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

Échange de notes constituant un accord relatif à certaines dettes commerciales [Accord n° 1 (1991) Royaume-Uni/Burkina Faso relatif à des dettes] (avec annexe). Abidjan, 27 novembre 1991 et Ouagadougou, 13 janvier 1992

Texte authentique : français.

Enregistré par le Royaume-Uni de Grande-Bretagne et d'Irlande du Nord le 19 janvier 1993.

[TRANSLATION¹ — TRADUCTION²]

EXCHANGE OF NOTES CONSTITUTING AN AGREEMENT³ BETWEEN THE GOVERNMENT OF THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND AND THE GOVERNMENT OF THE PEOPLE'S DEMOCRATIC REPUBLIC OF BURKINA CONCERNING CERTAIN COMMERCIAL DEBTS (THE UNITED KINGDOM/BURKINA FASO DEBT AGREEMENT No. 1 (1991))

I

Her Majesty's Ambassador (resident at Abidjan) to the Minister of Finance and Planning of The People's Democratic Republic of Burkina

BRITISH EMBASSY
ABIDJAN

27 November 1991

Excellency,

I have the honour to refer to the Agreed Minute on the Consolidation of the Debt of Burkina Faso which was signed at the Conference held in Paris on 15 March 1991, and to inform Your Excellency that the Government of the United Kingdom of Great Britain and Northern Ireland are prepared to provide debt relief to the Government of Burkina Faso on the terms and conditions set out in the attached Annex.

If these terms and conditions are acceptable to the Government of Burkina Faso, 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/Burkina Faso debt Agreement No. 1 (1991)" and which 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.

MARGARET ROTHWELL

¹ Translation supplied by the Government of the United Kingdom.

² Traduction fournie par le Gouvernement du Royaume-Uni.

³ Came into force on 13 January 1992, the date of the note in reply, in accordance with the provisions of the said notes.

ANNEX

Section 1

DEFINITIONS AND INTERPRETATION

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

(a) “The Agreed Minute” means the Agreed Minute on the Consolidation of the Debt of Burkina Faso which was signed at the Conference held in Paris on 15 March 1991;

(b) “Business Day” means a day on which the dealings are carried on in the London Interbank Market and (if payment is required to be made on such day) on which banks are open for domestic and foreign exchange business in London;

(c) “Contract” means a contract, or any agreement supplemental thereto, entered into before 1 January 1991, the parties to which include the Debtor and a Creditor and which either was for sale of goods and/or services from outside Burkina Faso to a buyer in Burkina Faso, or was for 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, including the Channel Islands and the Isle of Man, or any successor in title thereto;

(e) “Debt” means any debt to which, by virtue of the provisions of Section 2 (2), the provisions of this Annex apply;

(f) “Debtor” means the Government of Burkina Faso or any institution of its public sector (whether as primary debtor or as guarantor);

(g) “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;

(h) “Maturity” in relation to a Debt:

(i) Specified in Section 2 (2) (a) 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, or

(ii) Specified in Section 2 (2) (b) means 28 February 1991;

(i) “The Ministry” means the Ministry of Finance of Burkina Faso or any other institution which the Government of Burkina Faso may nominate for the purposes of this Annex;

(j) “Reference Rate” means the rate quoted to the Department by a bank to be agreed upon by the Department and the Ministry as the rate at which that bank is offering six-month sterling deposits in the London Interbank Market at 11 a.m. (London time) two Business Days before the commencement of the relevant interest period in each year;

(k) “The United Kingdom” means the United Kingdom of Great Britain and Northern Ireland.

(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 Section of this Annex.

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

Section 2

THE DEBT

(1) The Department agrees that the obligation of the Debtor to pay 33.33 per cent of each amount referred to in paragraph (2) (a) below shall be cancelled.

(2) The provisions of this Annex shall therefore, subject to the provisions of paragraph (3) of this Section and Article IV paragraph 3 of the Agreed Minute, apply to:

(a) 66.67 per cent of any amount of principal or of contractual interest accruing up to Maturity owed by the Debtor to a Creditor which:

- (i) Arises under or in relation to a Contract;
- (ii) Is guaranteed by the Department as to payment according to the terms of the Contract;
- (iii) Is not expressed by the terms of the Contract to be payable in CFA francs;
- (iv) Does not arise from an amount payable upon or as a condition of the cancellation or termination of the Contract; and
- (v) Has fallen due or will fall due for payment on or before 31 May 1992 and remains unpaid; and

(b) All interest charged under Section 4 of this Annex having accrued on or before 28 February 1991.

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

Section 3

PAYMENT OF DEBT

The Government of Burkina Faso shall pay to the Department, in accordance with the provisions of Section 5 (1), in respect of each Debt:

100 per cent by 12 equal and consecutive half-yearly installments commencing on 12 April 2000.

Section 4

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, until the settlement of that Debt by payment to the Department.

(2) The Government of Burkina Faso shall be liable for and shall pay to the Department in accordance with the provisions of Section 5(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. Such interest shall be paid to the Department half-yearly on 15 April and 15 October (the “Due Dates”) each year commencing on 15 October 1991.

(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 Burkina Faso 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 without further notice or demand.

(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 applicable to each half-yearly interest period commencing with the half-yearly interest period within which the Maturity of the Debt concerned occurs.

Section 5

PAYMENTS TO THE DEPARTMENT

(1) When payment becomes due under the terms of Section 3 or 4, the Ministry shall:

(a) Where possible draw upon the special account referred to in Article IV paragraph 4 of the Agreed Minute to meet such payments, and

(b) In any event arrange for the necessary amounts, without deduction for taxes, fees, other public charges or any other costs accruing inside or outside Burkina Faso, to be paid in sterling to an account notified by the Department to the Ministry.

(2) If the day on which such a payment falls due is not a Business Day payment shall be made on the nearest Business Day.

(3) The Ministry shall give the Department full particulars of the Debts and/or interest to which the payments relate.

Section 6

EXCHANGE OF INFORMATION

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

Section 7

OTHER DEBT SETTLEMENTS

(1) The Government of Burkina Faso undertakes to perform its obligations under Article 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 4.

Section 8

PRESERVATION OF RIGHTS AND OBLIGATIONS

This Annex and its implementation shall not affect the rights or 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 Burkina Faso are authorised to act respectively on behalf of and to bind such Creditor and debtor.

[TRANSLATION¹ — TRADUCTION²]

*The Minister of Finance and Planning of The People's Democratic Republic
of Burkina to Her Majesty's Ambassador (resident at Abidjan)*

MINISTRY OF FINANCE AND PLANNING
OUAGADOUGOU

13 January 1992

Excellency,

I have the honour to acknowledge receipt of Your Excellency's Note of 27 November 1991 which, in translation, reads as follows:

[*See note I*]

[*Annex as under note I*]

I have the honour to confirm that the procedures and conditions stated in the document appended to your Note are acceptable to the Government of Burkina Faso and that your Note, together with the enclosure and the present answer, constitute an agreement between both our Governments on this subject. The agreement is entitled "Agreement No. 1 (1991) between the United Kingdom and Burkina Faso Regarding Debts", and comes into force as of today.

I have the honour to present to Your Excellency the assurances of my highest consideration.

F. KORSAGA

¹ Translation supplied by the Government of the United Kingdom.

² Traduction fournie par le Gouvernement du Royaume-Uni.