

No. 30164

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

**Exchange of notes constituting the United Kingdom/Philippines Debt Rescheduling Agreement No. 1 (1992) (with annex). Manila, 23 December 1992**

*Authentic text: English.*

*Registered by the United Kingdom of Great Britain and Northern Ireland  
on 30 July 1993.*

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

**Échange de notes constituant l'Accord n° 1 de 1992 relatif  
au rééchelonnement de dettes Royaume-Uni/Philippines  
(avec annexe). Manille, 23 décembre 1992**

*Texte authentique : anglais.*

*Enregistré par le Royaume-Uni de Grande-Bretagne et d'Irlande du Nord  
le 30 juillet 1993.*

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 THE PHILIPPINES CONCERNING THE UNITED KINGDOM/PHILIPPINES DEBT RESCHEDULING AGREEMENT No. 1 (1992)

I

*Her Majesty's Ambassador at Manila  
to the Secretary of Finance of the Republic of the Philippines*

BRITISH EMBASSY  
MANILA

23 December 1992

I have the honour to refer to discussions between representatives of the Government of the United Kingdom of Great Britain and Northern Ireland (hereinafter referred to as the "Government of the United Kingdom") and representatives of the Government of the Republic of the Philippines (hereinafter referred to as the "Republic of the Philippines") under the terms of the Agreed Minute on the consolidation of the debt of the Republic of the Philippines signed in Paris on 20 December 1984 (hereinafter referred to as the "1984 Consolidation") and under the terms of the Agreed Minute on the consolidation of the debt of the Republic of the Philippines signed in Paris on 22 January 1987 (hereinafter referred to as the "1987 Consolidation") concerning the Exchange of Notes dated 12 March 1980, constituting the United Kingdom/Philippines Loan (No. 1) 1980<sup>2</sup> and the Exchange of Notes dated 23 September 1980 constituting the United Kingdom/Philippines Loan (No. 2) 1980<sup>3</sup> (both loans hereinafter referred to as the "Aid Loan") and propose that the terms agreed in the Paris Club Agreed Minutes dated 20 December 1984 and 22 January 1987 should apply to the Aid Loan and propose the following amendments thereto in the light of those discussions.

1. In accordance with the 1984 Consolidation, the repayment schedule of Loan No. 1 in respect of those repayments of interest due from 1 January 1985 up to 30 June 1986 inclusive and not paid shall be revised. Amounts equal to 60 per cent of the interest due from 1 January 1985 up to 30 June 1986 inclusive and not paid shall be paid by the Republic of the Philippines in pounds sterling in London to the Government of the United Kingdom in ten (10) equal and successive semi-annual payments, the first payment to be made on 15 March 1991 (end of grace period) and the final payment to be made on 15 September 1995 (end of repayment period) as set out in attached table "B" of the Annex. The remaining 40 per cent of the interest shall be paid as set out in attached table "A" of the Annex. Those payments due between 15 March 1991 and 15 March 1992 shall be payable within one month after entry into force of this Agreement.

<sup>1</sup> Came into force on 23 December 1992, the date of the note in reply, in accordance with the provisions of the said notes.

<sup>2</sup> United Nations, *Treaty Series*, vol. 1203, p. 147.

<sup>3</sup> *Ibid.*, vol. 1212, p. 181.

2. The sums to be paid in accordance with paragraph 1 above are specified in Annex 1 and tables “A” and “B” of the Annex.
3. In accordance with the 1987 Consolidation, the repayment schedule of Loan No. 1 in respect of amounts equal to 100 per cent of the principal and 70 per cent of the interest due from 1 January 1987 up to 31 August 1988 inclusive and not paid shall be paid in ten (10) equal and successive semi-annual payments, the first payment to be made on 1 April 1993 (end of grace period) and the final payment to be made on 1 October 1997 (end of repayment period) as set out in attached table “C” of the Annex.
4. In accordance with the 1987 Consolidation, the repayment schedule of Loan No. 2 in respect of amounts equal to 100 per cent of the principal due from 1 January 1987 up to 31 August 1988 inclusive and not paid shall be paid in ten (10) equal and successive semi-annual payments, the first payment to be made on 1 April 1993 (end of grace period) and the final payment to be made on 1 October 1997 (end of repayment period) as set out in attached table “D” of the Annex.
5. The Republic of the Philippines shall pay interest to the Government of the United Kingdom in pounds sterling in London on the rescheduled amounts at the rate of two per cent (2%) per annum on the amounts due under Loan No. 1 as follows:
  - (a) Interest shall run on each rescheduled amount from the original payment date of each such amount;
  - (b) Interest shall be calculated on a day to day basis on the amount of the rescheduled sums outstanding;
  - (c) The first instalment of accrued interest shall be payable on 15 September 1988 and subsequent payments shall be made on 15 March and 15 September of each year until all sums due have been repaid. Those payments due between 15 September 1988 and 15 March 1992 shall be payable within one calendar month after entry into force of this Agreement.
6. The amounts due under Loan No. 2 shall continue to be free of interest.
7. The sums to be paid in accordance with paragraphs 3, 4, 5 and 6 above are specified in the Annex attached to this Note. The Annex to this Note forms an integral part of the Note and may only be altered or amended by agreement between the Government of the United Kingdom and the Republic of the Philippines.
8. In all other respects, the terms and conditions of the Aid Loan shall continue in operation unless otherwise amended by this Note. In particular, interest payments due under the terms of the Aid Loan shall be calculated as if the repayments of principal which have been rescheduled have been paid in full.
9. If the foregoing proposals are acceptable to the Government of the Republic of the Philippines, I have the honour to propose that this Note, together with its Annex, and your reply to that effect shall constitute an Agreement between our Governments in this matter which shall enter into force and effect on the date of your reply and shall be known as “the United Kingdom/Philippines Debt Rescheduling Agreement No. 1 1992”.

I have the honour to avail myself of this opportunity to renew to Your Excellency the assurances of my highest consideration.

A. E. MONTGOMERY

## ANNEX I

## UK/PHILIPPINES DEBT RESCHEDULING No. 1 1992

**Loan No. 1**

<i>Due Date</i>	<i>Original Interest</i>	<i>60% Interest</i>	<i>40% Interest</i>
12.03.85	34,056.21	20,433.73	13,622.48
12.09.85	35,109.79	21,065.87	14,043.92
12.03.86	34,767.26	20,860.36	13,906.90
Totals	103,933.26	62,359.96	41,573.30

<i>Due Date</i>	<i>Original Interest</i>	<i>Original Principal</i>	<i>70% Interest</i>	<i>30% Interest</i>
12.03.87	34,864.57		24,405.20	10,459.37
12.09.87	35,442.43	125,300.00	24,809.70	10,632.73
12.03.88	33,621.87	125,300.00	23,535.31	10,086.56
Totals	103,928.87	250,600.00	72,750.21	31,178.66

**Loan No. 2**

<i>Due Date</i>	<i>Original Principal</i>
23.03.88	54,700.00

### UK/PHILIPPINES DEBT RESCHEDULING No. 1 1992

**Table A**

40% of interest due between 1 January 1985–30 June 1986 to be paid in 3 instalments:  $\frac{1}{3}$  on original due date,  $\frac{1}{3}$  on 15 September 1986 and  $\frac{1}{3}$  on 15 September 1987

<i>Due Date</i>	<i>Deferred Amount</i>	<i>Deferred Outstanding</i>
12.3.85	4,540.82	29,515.39
12.9.85	4,681.31	59,943.87
12.3.86	4,635.63	90,075.53
15.9.86	13,857.77	76,217.76
15.9.87	13,857.77	62,359.96
	41,573.30	

**Table B**

60% of interest due between 1 January 1985–30 June 1986 to be paid in 10 equal, semi-annual instalments from 15 March 1991 to 15 September 1995. Moratorium interest to be paid on 15 September 1988 and 15 March 1989 and each year until all sums have been repaid.

<i>Due Date</i>	<i>Deferred Amount</i>	<i>Deferred Outstanding</i>	<i>Moratorium Interest (2%)</i>	<i>Total Due</i>
15.09.88		62,359.96	4,588.23	4,588.23
15.03.89		62,359.96	618.47	618.47
15.09.89		62,359.96	628.73	628.73
15.03.90		62,359.96	618.47	618.47
15.09.90		62,359.96	628.73	628.73
15.03.91	6,235.99	56,123.97	618.47	6,854.46
15.09.91	6,235.99	49,887.98	565.85	6,801.84
15.03.92	6,235.99	43,651.99	494.78	6,730.77
15.09.92	6,235.99	37,416.00	440.11	6,676.10
15.03.93	6,235.99	31,180.01	371.08	6,607.07
15.09.93	6,235.99	24,944.02	314.36	6,550.35
15.03.94	6,235.99	18,708.03	247.39	6,483.38
15.09.94	6,235.99	12,472.04	188.62	6,424.61
15.03.95	6,235.99	6,236.05	123.69	6,359.68
15.09.95	6,236.05	—	62.87	6,298.92
	62,359.96		10,509.85	72,869.81

**Table C**

100% Principal and 70% Interest between 1 January 1987 and 31 August 1988 to be paid in 10 equal, semi-annual payments from 1 April 1993–1 October 1997. The remaining 30% of interest will be paid on the original due dates.

<i>Due Date</i>	<i>Interest Deferred</i>	<i>Principal Deferred</i>	<i>Outstanding Deferred</i>	<i>Moratorium Interest 2%</i>	<i>Total Due</i>
15.09.88			323,350.21	5,307.81	5,307.81
15.03.89			323,350.21	3,206.93	3,206.93
15.09.89			323,350.21	3,260.08	3,260.08
15.03.90			323,350.21	3,206.93	3,206.93
15.09.90			323,350.21	3,260.08	3,260.08
15.03.91			323,350.21	3,206.93	3,206.93
15.09.91			323,350.21	3,260.08	3,260.08
15.03.92			323,350.21	3,206.93	3,206.93
15.09.92			323,350.21	3,260.08	3,260.08
15.03.93			323,350.21	3,206.93	3,206.93
01.04.93	7,275.02	25,060.00	291,015.19		32,335.02
15.09.93			291,015.19	2,969.51	2,969.51
01.10.93	7,275.02	25,060.00	258,680.17		32,335.02
15.03.94			258,680.17	2,599.20	2,599.20
01.04.94	7,275.02	25,060.00	226,345.15		32,335.02
15.09.94			226,345.15	2,317.49	2,317.49
01.10.94	7,275.02	25,060.00	194,010.13		32,335.02
15.03.95			194,010.13	1,957.82	1,957.82
01.04.95	7,275.02	25,060.00	161,675.11		32,335.02
15.09.95			161,675.11	1,665.48	1,665.48
01.10.95	7,275.02	25,060.00	129,340.09		32,335.02
15.03.96			129,340.09	1,316.43	1,316.43
01.04.96	7,275.02	25,060.00	97,005.07		32,335.02
15.09.96			97,005.07	1,013.46	1,013.46
01.10.96	7,275.02	25,060.00	64,670.05		32,335.02
15.03.97			64,670.05	675.05	675.05
01.04.97	7,275.02	25,060.00	32,335.03		32,335.02
15.09.97			32,335.03	361.44	361.44
01.10.97	7,275.03	25,060.00	0.00	30.12	32,365.15
	72,750.21	250,600.00		49,288.75	372,638.96

**Table D**

100% of principal from 1 January 1987 to 30 June 1988 to be paid in 10 equal, semi-annual instalments from April 1993–1 October 1997.

<i>Due Date</i>	<i>Deferred Principal</i>	<i>Deferred Outstanding</i>
01.04.93	5,470.00	49,230.00
01.10.93	5,470.00	43,760.00
01.04.94	5,470.00	38,290.00
01.10.94	5,470.00	32,820.00
01.04.95	5,470.00	27,350.00
01.10.95	5,470.00	21,880.00
01.04.96	5,470.00	16,410.00
01.10.96	5,470.00	10,940.00
01.04.97	5,470.00	5,470.00
01.10.97	5,470.00	0.00
	54,700.00	

## II

*The Secretary of Finance of the Republic of the Philippines  
to Her Majesty's Ambassador at Manila*

MINISTRY OF FINANCE  
MANILA

23 December 1992

His Excellency,

I have the honour to acknowledge receipt of Your Excellency's Note of even date which reads as follows:

[*See note I*]

[*Annex as under note I*]

I have the honour to confirm that the foregoing proposals are acceptable to the Government of the Republic of the Philippines and that your Note and this reply constitute an Agreement between our Governments and shall be known as the United Kingdom/Philippines Debt Rescheduling Agreement No. 1 1992 which shall enter into force and effect today.

I avail myself of this opportunity to renew to Your Excellency the assurances of my highest consideration.

RAMON R. DEL ROSARIO, Jr.

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