

GHANA



Treaty Series No. 52 (1972)

Exchange of Notes

concerning the taking over
of a Frigate by the Government
of the United Kingdom of Great Britain
and Northern Ireland from the
Government of Ghana

Accra, 13 March 1972

[The Agreement entered into force on 13 March 1972]

*Presented to Parliament
by the Secretary of State for Foreign and Commonwealth Affairs
by Command of Her Majesty
July 1972*

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**EXCHANGE OF NOTES
CONCERNING THE TAKING OVER OF A FRIGATE BY THE
GOVERNMENT OF THE UNITED KINGDOM OF GREAT BRITAIN
AND NORTHERN IRELAND FROM THE GOVERNMENT
OF GHANA**

No. 1

*The United Kingdom High Commissioner at Accra to the Commissioner
for Foreign Affairs of Ghana*

*British High Commission,
Accra.*

Sir,

13 March, 1972.

I have the honour to inform you that, as agreed between the Prime Minister of the United Kingdom of Great Britain and Northern Ireland and the Prime Minister of Ghana in their discussions on the 24th of August, 1971, the Government of the United Kingdom is prepared to take over the frigate belonging to the Government of Ghana, which is at present lying in the Clyde, and to waive the outstanding balance of the loan for the purchase of this frigate made to the Government of Ghana by the Government of the United Kingdom under the terms of the agreement set forth in my predecessor's Note of the 14th of April, 1965⁽¹⁾.

If this is acceptable to the Government of Ghana the Government of the United Kingdom propose that the frigate should pass from Ghanaian to British ownership with effect from the 24th of August, 1971, and that the Government of Ghana should be excused those payments in respect of the frigate due to the Government of the United Kingdom or to Messrs. Yarrow and Company Limited as detailed in the Annex attached to this Note. Any refund or rebate due from Messrs. Yarrow and Company Limited to the Government of Ghana in respect of any payment relating to the frigate made by that Government before the 24th of August would become payable to the Government of the United Kingdom. The outstanding capital sum of £3,803,125.95 would be converted by the Government of the United Kingdom from a loan into a grant.

Except as mentioned in paragraph 2 above, the Government of the United Kingdom would not become responsible for the payment of any costs incurred (including agency fees incurred in efforts to dispose of the vessel) by the Government of Ghana prior to the date of this Note in respect of the frigate.

If the foregoing proposals are acceptable to the Government of Ghana, I have the honour to suggest that this Note and your reply thereto shall constitute an Agreement in this matter between the two Governments which shall enter into force on the date of your reply.

I have the honour to be,

Sir,

Your obedient Servant,

H. S. H. STANLEY

(1) See Appendix.

ANNEX

The outstanding sums due and referred to in paragraph 2 of the High Commissioner's Note dated the 13th of March, 1972, are as follows:

| | £ |
|---|--------------|
| (1) Capital on loan | 3,803,148·49 |
| (2) Interest on loan | 773,772·05 |
| (3) Due to Minister of Defence in respect of Inspection and Agency Fees | 184,000·00 |
| (4) Due to Messrs. Yarrow and Company Limited in respect of berthing fees, security and maintenance ... | 21,113·55 |

No. 2

*The Commissioner for Foreign Affairs of Ghana to the United Kingdom
High Commissioner at Accra*

Accra.

Sir,

13 March, 1972.

I have the honour to acknowledge the receipt of Your Excellency's Note of the 13th of March which reads as follows:

[As in No. 1]

In reply I have the honour to confirm that the foregoing proposals are acceptable to the Government of Ghana and that Your Excellency's Note and the present reply shall constitute an Agreement in this matter between the two Governments which shall enter into force on this day's date.

NAT. A. AFERI

(Major-General N. A. Aferi, D S O)
Commissioner for Foreign Affairs

APPENDIX

No. 3

*The United Kingdom High Commissioner at Accra to the Minister of
Defence of Ghana*

*British High Commission,
Accra.*

My dear Minister,

14 April, 1965.

I refer to the recent discussions between representatives of the Government of Ghana and myself representing the Government of the United Kingdom of Great Britain and Northern Ireland about the arrangements proposed for a loan by the United Kingdom Government to the Government of Ghana in respect of the cost of the construction of a frigate for the Government of Ghana by Messrs. Yarrow & Company Limited of Glasgow (hereinafter referred to as the "Shipbuilders").

2. At the conclusion of those discussions it was proposed that the following arrangements should be agreed by the two Governments:

- (a) the amount of the loan to be made by the United Kingdom Government to the Government of Ghana shall be a sum of £3,714,390 (this amount being ninety per centum of the contract price of the frigate, namely £4,127,100) plus a sum equal to ninety per centum of any sum that may be payable in addition to the contract price due to:
- (i) increases in wages or costs of materials during the period of construction;
 - (ii) design alterations or alterations to the hull, machinery, electrical installations or equipment undertaken by the Shipbuilders on the advice of the United Kingdom Navy Department and with the approval of the Government of Ghana;
- (b) issues from the loan shall be made in instalments by the United Kingdom Government direct to the Shipbuilders against claims for payment countersigned by a United Kingdom Navy Department Overseer or Overseers appointed to supervise the construction of the frigate and the amount and date of each issue shall be notified to the Ministry of Finance of the Government of Ghana by the United Kingdom Government at the time of issue;
- (c) the last and final issue from the loan, which shall be made on the acceptance of the frigate from the Shipbuilders by the Government of Ghana, shall include a sum equal to ninety per centum of any sum payable in addition to the contract price £4,127,100 in respect of the matters referred to in sub-paragraph (a) (i) and (ii) above and the remaining ten per centum of that additional sum shall be paid by the Government of Ghana direct to the Shipbuilders on the date of their acceptance of the frigate from the Shipbuilders;
- (d) interest shall be charged at the fixed rate of six per centum per annum on each issue of the loan;

- (e) the Government of Ghana shall during the period of construction of the frigate repay to the United Kingdom Government three-tenths of the loan of £3,714,390 in three instalments of £371,439 each on 9th May 1966, 9th February 1967 and on the date of the acceptance of the frigate from the Shipbuilders by the Government of Ghana together with interest due on the amount of the loan outstanding on those dates;
- (f) the balance of the loan outstanding immediately after payment of the last of the three instalments payable in accordance with paragraph (e) above together with interest thereon shall be repaid to the Government of the United Kingdom by the Government of Ghana in fourteen equal instalments which shall be payable half-yearly, the first of such instalments being due and payable six months after the date of the acceptance of the frigate from the Shipbuilders by the Government of Ghana.

3. If the Government of Ghana accept these arrangements I have to suggest that this Letter together with your Reply to that effect shall be regarded as constituting an Agreement between the two Governments in this matter.

Yours sincerely,

H. SMEDLEY

No. 4

*The Minister of Defence of Ghana to the United Kingdom High
Commissioner at Accra*

*Ministry of Defence,
Accra.*

14 April, 1965.

My dear High Commissioner,

I acknowledge receipt of your Letter of today's date which reads as follows:

[As in No. 3]

I have to inform you that the Government of Ghana accept the foregoing arrangements. They therefore regard your Letter and this Reply as constituting an Agreement between the two Governments in this matter.

Yours sincerely,

K. BAAKO

*Kofi Baako
(Minister)*

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