



Treaty Series No. 14 (2003)

## Exchange of Notes

between the Government of the  
United Kingdom of Great Britain and Northern Ireland  
and the Government of the Republic of Guinea

concerning Certain Commercial Debts

(The United Kingdom/Guinea Debt  
Agreement No. 7 (2001))

Freetown, 6 December 2001 and Conakry, 9 April 2002

[The Agreement entered into force on 9 April 2002]

*Presented to Parliament  
by the Secretary of State for Foreign and Commonwealth Affairs  
by Command of Her Majesty  
March 2003*

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## Translation of No. 1

I have the honour to refer to the Agreed Minute on the Consolidation of the Debt of the Republic of Guinea which was signed in Paris on 15 May 2001, 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 the Republic of Guinea 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 Guinea, 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 two Governments in this matter which shall be known as "The United Kingdom/Guinea Debt Agreement No. 7 (2001)" 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.

## 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 the Republic of Guinea which was signed in Paris on 15 May 2001;
  - (b) "Appropriate Market Rate" means the Reference Rate plus 0.5 per cent;
  - (c) "Business Day" means a day on which 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;
  - (d) "the Consolidation Period" means:
    - (i) the period from 1 December 2000 to 31 March 2002 inclusive and thereafter;
    - (ii) the period from 1 April 2002 to 31 March 2003 inclusive if the conditions set forth under Article IV paragraph 3(b) of the Agreed Minute have been met and thereafter;
    - (iii) the period from 1 April 2003 to 31 March 2004 inclusive if the conditions set forth under Article IV paragraph 3(c) of the Agreed Minute have been met;
  - (e) "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;
  - (f) "Debt" means any debt to which, by virtue of the provisions of Section 2(1), the provisions of this Annex apply;
  - (g) "the Department" means 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) "the Fifth Agreement" means the Agreement between the Government of the United Kingdom and the Government of Guinea on Certain Commercial Debts signed on 12 February 1996;<sup>1</sup>
  - (i) "the Fourth Agreement" means the Agreement between the Government of the United Kingdom and the Government of Guinea on Certain Commercial Debts signed on 3 November 1993;<sup>2</sup>

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<sup>1</sup> Treaty Series No. 65 (1996) Cm3311.

<sup>2</sup> Treaty Series No. 11 (1994) Cm2482.

- (j) “Guinea” means the Republic of Guinea;
  - (k) “Maturity” means either 30 November 2000 or the date for payment specified in the Previous Agreements if that date is later;
  - (l) “the Ministry” means the Ministry of Finance or any other institution which the Government of Guinea may nominate for this purpose;
  - (m) “the Previous Agreements” means collectively the Third Agreement, the Fourth Agreement, the Fifth Agreement, and the Sixth Agreement;
  - (n) “Reference Rate” means the rate (rounded upwards where necessary to the nearest multiple of 1/16th (one sixteenth) of one per cent) quoted to the Department by a bank to be agreed upon by the Department and the Ministry, as the rate at which the bank is offering six-month sterling deposits in the London interbank market at 11 am (London time) two Business Days before the commencement of the relevant interest period;
  - (o) “the Sixth Agreement” means the Agreement between the Government of the United Kingdom and the Government of Guinea on Certain Commercial Debts signed on 23 April 1988;<sup>1</sup>
  - (p) “the Third Agreement” means the Agreement between the Government of the United Kingdom and the Government of Guinea on Certain Commercial Debts signed on 27 February 1991;<sup>2</sup>
  - (q) “United Kingdom” means the United Kingdom of Great Britain and Northern Ireland.
- (2) All interest payable pursuant to this Annex shall be 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**

The provisions of this Annex shall, subject to the provisions of Article IV paragraphs 3 and 4 of the Agreed Minute, apply to:

- (1) any amount, whether of principal or of interest (including interest accrued on interest), payable under the Third Agreement which fell due on or before 30 November 2000 and remains unpaid; and
- (2) any amount, whether of principal or of interest (excluding interest accrued on interest), payable under the Third Agreement which has fallen due or will fall due during the Consolidation Period and remain unpaid; and

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<sup>1</sup> Treaty Series No. 48 (1998) Cm4077.

<sup>2</sup> Treaty Series No. 74 (1991) Cm1677.

(3) any amount, whether of principal or of interest (including interest accrued on interest), payable under the Fourth, Fifth and Sixth Agreements which fell due on or before 30 November 2000 and remains unpaid; and

(4) any amount, whether of principal or of interest (excluding interest accrued on interest), payable under the Fourth, Fifth and Sixth Agreements which has fallen due or will fall due during the Consolidation Period and remain unpaid.

### SECTION 3

#### **Payments under the Third, Fourth, Fifth and Sixth Agreements**

The provisions of the Previous Agreements insofar as they relate to the payment of any Debt as defined herein shall cease to apply upon the entry into force of this Agreement.

### SECTION 4

#### **Debt Reduction and Payment**

(1) The Department waives or undertakes to waive on maturity as the case may be:

- (a) 50 per cent of the amount of each Debt specified in Section 2(1);
- (b) 85 per cent of the amount of each Debt specified in Section 2(2);
- (c) 34 per cent of the amount of each Debt specified in Section 2(3);
- (d) 80 per cent of the amount of each Debt specified in Section 2(4).

(2) The Government of Guinea shall pay to the Department, in accordance with the provisions of Section 6(1), the remainder of each of the Debts specified in Section 2 on the following dates and in the following percentages:

<i>Repayment Date</i>	<i>Percentage to be repaid</i>
30 June 2009	0.12
31 December 2009	0.20
30 June 2010	0.28
31 December 2010	0.38
30 June 2011	0.48
31 December 2011	0.58
30 June 2012	0.70
31 December 2012	0.82
30 June 2013	0.94
31 December 2013	1.08
30 June 2014	1.22
31 December 2014	1.36
30 June 2015	1.52
31 December 2015	1.70
30 June 2016	1.86
31 December 2016	2.06
30 June 2017	2.26
31 December 2017	2.46
30 June 2018	2.68
31 December 2018	2.92
30 June 2019	3.18
31 December 2019	3.44
30 June 2020	3.70
31 December 2020	4.00
30 June 2021	4.30
31 December 2021	4.64
30 June 2022	4.98
31 December 2022	5.34

<i>Repayment Date</i>	<i>Percentage to be repaid</i>
30 June 2023	5.72
31 December 2023	6.12
30 June 2024	6.54
31 December 2024	7.00
30 June 2025	7.46
31 December 2025	7.96

(3) The parties to this agreement shall enter into such documentation as is necessary in order to correct any error or omissions appearing in this agreement which have been recognised by both parties.

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

(2) The Government of Guinea shall pay to the Department interest on each Debt in accordance with the provisions of Section 6(1) to the extent that such Debt has not been settled by payment to the Department. Such interest shall be paid to the Department half-yearly on 30 June and 31 December (the “Due Dates”) each year commencing on 31 December 2001.

(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 Guinea 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 Appropriate Market 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 6

### **Payments to the Department**

(1) When payment becomes due under the terms of Section 4 or 5, the Ministry shall arrange for the necessary amounts, without deduction of taxes, fees, other public charges or any other costs incurred outside the United Kingdom, to be paid in the Currency of the Debt 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 next succeeding Business Day.

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

## SECTION 7

### **Exchange of Information**

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

## SECTION 8

### **Other Debt Settlements**

- (1) The Government of Guinea undertakes to fulfil its commitments under Article III 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, 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

### **Debt Swaps Option**

The Department shall give prior notification to the Government of Guinea if it wishes to exercise the option given in Article II paragraph 3 of the Agreed Minute to sell or exchange Debt. This option may only be implemented with the consent of the Government of Guinea and will only be exercised on condition that the Debt sold or exchanged is discharged in Guinea francs.

## SECTION 10

### **Conditionality**

Unless the Department otherwise agrees, the conditions of Article IV paragraph 3 of the Agreed Minute shall apply to this Annex. If any of these conditions is not fulfilled, this Annex shall cease to apply and all outstanding payments shall be due according to the payment schedules in the Previous Agreements as the case may be, as if this Annex had never existed.

**No. 2**

*The Minister of Economy and Finance of the Republic of Guinea to the British Ambassador*

*Conakry*

*9 April 2002*

J'ai l'honneur d'accuser réception de votre note du 6 décembre 2001 qui, dans sa traduction, est formulée comme suit:

**As in No. 1.**

J'ai l'honneur de confirmer que les modalités et conditions énoncées à l'annexe de votre note sont acceptables par le Gouvernement de la République de Guinée et que votre note, accompagnée de son annexe, et la présente réponse constituent un accord entre nos deux Gouvernements à ce sujet, qui s'intitule "Accord No. 7 (2001) entre le Royaume-Uni et la Guinée relatif à des dettes" et entre en vigueur ce jour.

Veillez agréer, Monsieur l'Ambassadeur, les assurances de ma haute considération.

CHEICK AHMADOU CAMARA

**Translation of No. 2**

I have the honour to acknowledge receipt of Your Excellency's Note of 6 December 2001 which in translation reads as follows:

**As in No. 1.**

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 Guinea, 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/Guinea Debt Agreement No. 7 (2001)" and which shall enter into force today.

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





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