



Treaty Series No. 27 (1993)

Exchange of Notes

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. 3 1992

Manila, 23 December 1992

[The Agreement entered into force on 23 December 1992]

*Presented to Parliament
by the Secretary of State for Foreign and Commonwealth Affairs
by Command of Her Majesty
June 1993*

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**EXCHANGE OF NOTES
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. 3 1992**

No. 1

*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 the Government of the Republic of the Philippines (hereinafter referred to as the "Republic of the Philippines") with regard to the terms of the Agreed Minute on the consolidation of the debt of the Republic of the Philippines signed in Paris on 20 June 1991 (hereinafter referred to as the "1991 Consolidation") concerning the Exchanges of Notes constituting the loans as follows:

United Kingdom/Philippines Loan (No. 1) 1980¹ and the United Kingdom/Philippines Loan (No. 2) 1980², as amended by the United Kingdom/Philippines Debt Rescheduling Agreement No. 1 1992³ and the United Kingdom/Philippines Debt Rescheduling Agreement No. 2 1992⁴ (hereinafter referred to as the "Aid Loans").

I have also the honour to refer to the Agreed Minute on the consolidation of the debt of the Republic of the Philippines signed in Paris on 20 June 1991 and to propose that, having regard to recommendations in the aforesaid Minute, the Aid Loans should be amended as set out below.

1. With regard to the terms of the 1991 Consolidation the repayment schedules of the Aid Loans in respect of those repayments of principal and interest due from 1 July 1991 up to 31 March 1993 inclusive and not paid shall be revised. Amounts equal to 100 per cent of the principal and interest due from 1 July 1991 up to 31 March 1993 shall be paid by the Republic of the Philippines in pounds sterling in London to the Government of the United Kingdom in twenty (20) equal and successive semi-annual payments. The first payment shall be made on 31 July 2002 (end of grace period) and the final payment shall be made on 31 January 2012 (end of the repayment period) as set out in Table "A" of the Annex attached hereto.

2. 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 the United Kingdom/Philippines Loan No. 1 as amended by the United Kingdom/Philippines Debt Rescheduling Agreements No. 1 and No. 2 1992 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) In respect of the sums to be paid in accordance with paragraph 1 above and set out in Table "A" of the Annex attached hereto, the first instalment of accrued interest shall be payable on 31 July and subsequent payments shall be made on 31 January and 31 July of each year until all sums due have been repaid.

¹ Treaty Series No. 55 (1980) Cmnd. 7957.

² Treaty Series No. 94 (1980) Cmnd. 8096.

³ Treaty Series No. 25 (1993) Cm 2194.

⁴ Treaty Series No. 26 (1993) Cm 2195.

3. The amounts due under United Kingdom/Philippines Loan No. 2 shall continue to be free of interest.

4. The sums to be paid in accordance with paragraphs 1 and 2 above are set out in the Annex attached hereto. 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.

5. Unless otherwise amended by this Note the terms and conditions of the Aid Loans shall continue in operation. Interest payments due under the terms of the Aid Loans shall be calculated as if repayments of principal which have been rescheduled have been paid in full.

6. 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. 3 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. 3 1992

LOAN No. 1

| <i>Due Date</i> | <i>Original Interest</i> | <i>Original Principal</i> | <i>Total</i> |
|-----------------|--------------------------|---------------------------|--------------|
| 12.09.91 | 25,336.04 | 125,300.00 | 150,636.04 |
| 12.03.92 | 23,680.25 | 125,300.00 | 148,980.25 |
| 12.09.92 | 22,809.45 | 125,300.00 | 148,109.45 |
| 12.03.93 | 21,194.85 | 125,300.00 | 146,494.85 |
| <i>Totals</i> | 93,020.59 | 501,200.00 | 594,220.59 |

LOAN No. 2

| <i>Due Date</i> | <i>Original Interest</i> | <i>Original Principal</i> | <i>Total</i> |
|-----------------|--------------------------|---------------------------|--------------|
| 23.09.91 | 0.00 | 54,700.00 | 54,700.00 |
| 23.03.92 | 0.00 | 54,700.00 | 54,700.00 |
| 23.09.92 | 0.00 | 54,700.00 | 54,700.00 |
| 23.03.92 | 0.00 | 54,700.00 | 54,700.00 |
| <i>Totals</i> | 0.00 | 218,800.00 | 218,800.00 |

DEBT RESCHEDULING No. 1 1992

| <i>Due Date</i> | <i>Original Interest</i> | <i>Original Principal</i> | <i>Total</i> |
|-----------------|--------------------------|---------------------------|--------------|
| 15.09.91 | 565.85 | 6,235.99 | 6,801.84 |
| 15.09.91 | 3,260.08 | 0.00 | 3,260.08 |
| 15.03.92 | 494.78 | 6,235.99 | 6,730.77 |
| 15.03.92 | 3,206.93 | 0.00 | 3,206.93 |
| 15.09.92 | 440.11 | 6,235.99 | 6,676.10 |
| 15.09.92 | 3,260.08 | 0.00 | 3,260.08 |
| 15.03.93 | 371.08 | 6,235.99 | 6,607.07 |
| 15.03.93 | 3,206.93 | 0.00 | 3,206.93 |
| <i>Totals</i> | 14,805.84 | 24,943.96 | 39,749.80 |

DEBT RESCHEDULING No. 2 1992

| <i>Due Date</i> | <i>Original Interest</i> | <i>Original Principal</i> | <i>Total</i> |
|-----------------|--------------------------|---------------------------|--------------|
| 30.11.91 | 2,962.46 | 0.00 | 2,962.46 |
| 31.12.91 | 5,502.96 | 0.00 | 5,502.96 |
| 31.05.92 | 2,946.27 | 0.00 | 2,946.27 |
| 30.06.92 | 5,980.06 | 0.00 | 5,980.06 |
| 30.11.92 | 2,962.46 | 0.00 | 2,962.46 |
| 31.12.92 | 5,908.18 | 0.00 | 5,908.18 |
| <i>Totals</i> | 26,262.39 | 0.00 | 26,262.39 |

TABLE A

UK/Philippines Debt Rescheduling No. 3 1992

100% of principal and interest due from 1 July 1991 to 31 March 1993 inclusive and not paid to be paid in twenty equal, semi-annual instalments from 31 July 2002 to 31 January 2012.

| Due Date | LOAN NO. 1, DEBT RESCHEDULING NOS. 1 & 2 1992 | | | | LOAN NO. 2 | | Total Due (A) + (B) + (C) + (D) |
|------------|-----------------------------------------------|------------------------------|-------------------------|-------------------|------------------------------|--------------------------------------|---------------------------------------|
| | Deferred Interest (A) | Deferred Principal (B) | Outstanding Deferred | M.I. at 2% (C) | Deferred Principal (D) | Outstanding Deferred Principal | |
| 31.07.92 | | | 660,232.78 | 4,183.32 | | 218,800.00 | 4,183.32 |
| 31.01.93 | | | 660,232.78 | 5,209.76 | | 218,800.00 | 5,209.76 |
| 31.07.93 | | | 660,232.78 | 6,203.86 | | 218,800.00 | 6,203.86 |
| 31.01.94 | | | 660,232.78 | 6,656.59 | | 218,800.00 | 6,656.59 |
| 31.07.94 | | | 660,232.78 | 6,548.06 | | 218,800.00 | 6,548.06 |
| 31.01.95 | | | 660,232.78 | 6,656.59 | | 218,800.00 | 6,656.59 |
| 31.07.95 | | | 660,232.78 | 6,548.06 | | 218,800.00 | 6,548.06 |
| 31.01.96 | | | 660,232.78 | 6,656.59 | | 218,800.00 | 6,656.59 |
| 31.07.96 | | | 660,232.78 | 6,548.06 | | 218,800.00 | 6,548.06 |
| 31.01.97 | | | 660,232.78 | 6,656.59 | | 218,800.00 | 6,656.59 |
| 31.07.97 | | | 660,232.78 | 6,548.06 | | 218,800.00 | 6,548.06 |
| 31.01.98 | | | 660,232.78 | 6,656.59 | | 218,800.00 | 6,656.59 |
| 31.07.98 | | | 660,232.78 | 6,548.06 | | 218,800.00 | 6,548.06 |
| 31.01.99 | | | 660,232.78 | 6,656.59 | | 218,800.00 | 6,656.59 |
| 31.07.99 | | | 660,232.78 | 6,548.06 | | 218,800.00 | 6,548.06 |
| 31.01.2000 | | | 660,232.78 | 6,656.59 | | 218,800.00 | 6,656.59 |
| 31.07.2000 | | | 660,232.78 | 6,548.06 | | 218,800.00 | 6,548.06 |
| 31.01.01 | | | 660,232.78 | 6,656.59 | | 218,800.00 | 6,656.59 |
| 31.07.01 | | | 660,232.78 | 6,548.06 | | 218,800.00 | 6,548.06 |
| 31.01.02 | | | 660,232.78 | 6,656.59 | | 218,800.00 | 6,656.59 |
| 31.07.02 | 6,704.44 | 26,307.19 | 627,221.15 | 5,548.06 | 10,940.00 | 207,860.00 | 50,499.69 |
| 31.01.03 | 6,704.44 | 26,307.19 | 594,209.52 | 6,323.76 | 10,940.00 | 196,920.00 | 50,275.39 |

| | | | | | | | |
|----------|------------|------------|------------|------------|------------|------------|--------------|
| 31.07.03 | 6,704.44 | 26,307.19 | 561,197.89 | 5,893.26 | 10,940.00 | 185,980.00 | 49,844.89 |
| 31.01.04 | 6,704.44 | 26,307.19 | 528,186.26 | 5,658.10 | 10,940.00 | 175,040.00 | 49,609.73 |
| 31.07.04 | 6,704.44 | 26,307.19 | 495,174.63 | 5,238.45 | 10,940.00 | 164,100.00 | 49,190.08 |
| 31.01.05 | 6,704.44 | 26,307.19 | 462,163.00 | 4,992.45 | 10,940.00 | 153,160.00 | 48,944.08 |
| 31.07.05 | 6,704.44 | 26,307.19 | 429,161.37 | 4,583.64 | 10,940.00 | 142,220.00 | 48,535.27 |
| 31.01.06 | 6,704.44 | 26,307.19 | 396,139.74 | 4,326.79 | 10,940.00 | 131,280.00 | 48,278.42 |
| 31.07.06 | 6,704.44 | 26,307.19 | 363,128.11 | 3,928.84 | 10,940.00 | 120,340.00 | 47,880.47 |
| 31.01.07 | 6,704.44 | 26,307.19 | 330,116.48 | 3,661.13 | 10,940.00 | 109,400.00 | 47,612.76 |
| 31.07.07 | 6,704.44 | 26,307.19 | 297,104.85 | 3,274.03 | 10,940.00 | 98,460.00 | 47,225.66 |
| 31.01.08 | 6,704.44 | 26,307.19 | 264,093.22 | 2,995.47 | 10,940.00 | 87,520.00 | 46,947.10 |
| 31.07.08 | 6,704.44 | 26,307.19 | 231,081.59 | 2,619.23 | 10,940.00 | 76,580.00 | 46,570.86 |
| 31.01.09 | 6,704.44 | 26,307.19 | 198,069.96 | 2,329.81 | 10,940.00 | 65,640.00 | 46,281.44 |
| 31.07.09 | 6,704.44 | 26,307.19 | 165,058.33 | 1,964.42 | 10,940.00 | 54,700.00 | 45,916.05 |
| 31.01.10 | 6,704.44 | 26,307.19 | 132,046.70 | 1,664.15 | 10,940.00 | 43,760.00 | 45,615.78 |
| 31.07.10 | 6,704.44 | 26,307.19 | 99,035.07 | 1,309.61 | 10,940.00 | 32,820.00 | 45,261.24 |
| 31.01.11 | 6,704.44 | 26,307.19 | 66,023.44 | 998.49 | 10,940.00 | 21,880.00 | 44,950.12 |
| 31.07.11 | 6,704.44 | 26,307.19 | 33,011.81 | 654.81 | 10,940.00 | 10,940.00 | 44,606.44 |
| 31.01.12 | 6,704.46 | 26,307.35 | 0.00 | 332.83 | 10,940.00 | 0.00 | 44,284.64 |
| | 134,088.82 | 526,143.96 | | 197,188.06 | 218,800.00 | | 1,076,220.84 |

No. 2

*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:

[As in No. 1]

[Annex as in No. 1]

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 which shall enter into force and effect today and shall be known as the United Kingdom/Philippines Debt Rescheduling Agreement No. 3 1992.

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

RAMON R. DEL ROSARIO, JR.

