



Treaty Series No. 55 (1997)

Exchange of Notes

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

concerning Certain Commercial Debts

(The United Kingdom/Senegal Debt
Agreement No. 11 (1995))

Dakar, 9 October 1995 and 13 November 1995

[The Agreement entered into force on 13 November 1995]

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

September 1997

**EXCHANGE OF NOTES
BETWEEN THE GOVERNMENT OF THE
UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND
AND THE GOVERNMENT OF THE REPUBLIC OF SENEGAL
CONCERNING CERTAIN COMMERCIAL DEBTS
(UNITED KINGDOM/SENEGAL DEBT AGREEMENT NO. 11 (1995))**

No. 1

*Her Majesty's Ambassador at Dakar to the Minister of Economy,
Finance and Planning of the Republic of Senegal*

*British Embassy
Dakar
9 October 1995*

Dear Minister

I have the honour to refer to the Agreed Minute on the Consolidation of the Debt of the Republic of Senegal which was signed at the Conference held in Paris on 20 April 1995, 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 Senegal 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 Senegal, 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/Senegal Debt Agreement No. 11 (1995)" and which shall enter into force on the date of your reply.

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

ALAN FURNESS

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 Senegal which was signed at the Conference held in Paris on 20 April 1995;
 - (b) "Appropriate Market Rate" means the Reference Rate plus 0.5 per cent;
 - (c) "Business Day" means a day excluding Saturday and Sunday 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 the period from 1 April 1995 to 31 August 1997 inclusive;
 - (e) "Contract" means a contract, including any agreement supplemental thereto, entered into before 1 January 1983, the parties to which include a Debtor and a Creditor and which either was for the sale of goods and/or services from outside Senegal to a buyer in Senegal, 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;

- (f) “Creditor” means a person or body of persons or corporation resident or carrying on business in the United Kingdom, the Channel Islands or the Isle of Man, or any successor in title thereto;
 - (g) “Debt” means any debt to which, by virtue of the provisions of Section 2(1), the provisions of this Annex apply;
 - (h) “Debtor” means the Government of Senegal (whether as primary debtor or as guarantor);
 - (i) “the Department” means the Secretary of State acting by the Export Credits Guarantee Department or any other Department of the Government of the United Kingdom which the Secretary of State may subsequently nominate for the purpose hereof;
 - (j) “the Fifth Agreement” means the Agreement between the Government of the United Kingdom and the Government of Senegal on Certain Commercial Debts signed on 11 May 1987¹;
 - (k) “Maturity” in relation to a Debt specified in Section 2(1) means 31 March 1995, or the date for payment specified in any of the Fifth Agreement and the Seventh, Eighth and Ninth Agreements if that date is a later one;
 - (l) “the Ministry” means the Ministry of Economy, Finance and Planning of Senegal or any other institution which the Government of Senegal may nominate for the purposes of this Annex;
 - (m) “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 that 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;
 - (n) “Senegal” means the Republic of Senegal;
 - (o) “the Seventh, Eight and Ninth Agreements” means the Agreements between the Government of the United Kingdom and the Government of Senegal on Certain Commercial Debts signed on 25 November 1989², 26 October 1990³, and 9 April 1992⁴ respectively;
 - (p) “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 provisions of this Annex Shall, subject to the provisions of paragraph (2) of this Section and Article IV paragraph 4 of the Agreed Minute, apply to:
 - (a) any amount, whether of principal or of interest (including interest accrued on interest), payable under the Fifth Agreement which fell due on or before 31 March 1995 or which

¹Treaty Series No. 66 (1988) Cm 481

²Treaty Series No. 41 (1990) Cm 1096

³Treaty Series No. 40 (1991) Cm 1590

⁴Treaty Series No. 73 (1992) Cm 2083

has fallen due or will fall due during the Consolidation Period and which remains unpaid; and

- (b) any amount, whether of principal or of interest, (excluding interest accrued on interest) payable under the Seventh, Eighth and Ninth Agreements which has fallen due or will fall due during the Consolidation Period and which remains unpaid.

(2) The Department and the Ministry shall, as soon as possible, agree and draw up a list of Debts ("the Debt List") to which 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

Payments under the Fifth, Seventh, Eighth and Ninth Agreements

The provisions of the Fifth Agreement and the Seventh, Eighth and Ninth Agreements insofar as they relate to the payment of any Debt shall cease to apply upon the entry into force of this Agreement.

SECTION 4

Debt Reduction and Payment

(1) The Department agrees to reduce the amount of each Debt specified in Section 2(1)(a) by 67 per cent on Maturity.

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

<i>Repayment Date</i>	<i>Percentage to be repaid</i>
15 December 2002	0.12
15 June 2003	0.20
15 December 2003	0.28
15 June 2004	0.38
15 December 2004	0.48
15 June 2005	0.58
15 December 2005	0.70
15 June 2006	0.82
15 December 2006	0.94
15 June 2007	1.08
15 December 2007	1.22
15 June 2008	1.36
15 December 2008	1.52
15 June 2009	1.70
15 December 2009	1.86
15 June 2010	2.06
15 December 2010	2.26
15 June 2011	2.46
15 December 2011	2.68
15 June 2012	2.92
15 December 2012	3.18
15 June 2013	3.44
15 December 2013	3.70
15 June 2014	4.00
15 December 2014	4.30
15 June 2015	4.64
15 December 2015	4.98

<i>Repayment Date</i>	<i>Percentage to be repaid</i>
15 June 2016	5.34
15 December 2016	5.72
15 June 2017	6.12
15 December 2017	6.54
15 June 2018	7.00
15 December 2018	7.46
15 June 2019	7.96

(3) The Government of Senegal shall also pay to the Department, in accordance with the provisions of Section 6(1) 100 per cent of the Debt specified in Section 2(1)(b) on the following dates and in the following percentages:

<i>Repayment Date</i>	<i>Percentage to be repaid</i>
15 December 1998	2.50
15 June 1999	2.86
15 December 1999	3.24
15 June 2000	3.66
15 December 2000	4.09
15 June 2001	4.56
15 December 2001	5.06
15 June 2002	5.59
15 December 2002	6.18
15 June 2003	6.76
15 December 2003	7.40
15 June 2004	8.06
15 December 2004	8.81
15 June 2005	9.57
15 December 2005	10.39
15 June 2006	11.27

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 Senegal shall be liable for and shall pay to the Department in accordance with the provisions of Section 6(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 on 30 June and 31 December (the "Due Dates") each year commencing on 31 December 1995.

(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 Senegal 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 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, or other public charges or any other costs accruing inside or outside Senegal, 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 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 Senegal 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

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 Senegal are authorised to act respectively on behalf of and to bind such Creditor and Debtor.

SECTION 10

Debt Conversion Option

The Government of the United Kingdom shall give prior notification to the Government of Senegal if it is willing to exercise the option provided for in Article II paragraph 3 of the Agreed Minute. This option may only be implemented with the consent of the Government of Senegal.

SECTION 11

Conditionality

This Annex shall continue to apply to Debts with a maturity between 1 January 1996 and 31 December 1996 and 1 January 1997 and 31 August 1997 only if all the conditions referred to in Article IV, paragraphs 4(b) and (c) of the Agreed Minute respectively have been satisfied.

No. 2
*The Minister of Economy, Finance and Planning of the Republic of
Senegal to Her Majesty's Ambassador at Dakar*

*Dakar
13 November 1995*

Monsieur l'Ambassadeur,

J'ai l'honneur d'accuser réception de la Note en date du 9 octobre 1995 émanant de Votre Excellence, dont vous trouverez la traduction ci-après:

“J'ai l'honneur de me référer au procès-verbal relatif à la Consolidation de la Dette de la République du Sénégal qui a été approuvé et signé lors de la conférence tenue à Paris le 20 avril 1995 et de porter à votre connaissance que le Gouvernement du Royaume-Uni de Grande-Bretagne et d'Irlande du Nord est disposé à accorder un allègement de dette au Gouvernement de la République du Sénégal suivant les modalités et conditions énoncées à l'Annexe ci-jointe.

Si ces modalités et conditions sont acceptables pour le Gouvernement de la République du Sénégal, j'ai l'honneur de proposer que la présente note, accompagnée de son annexe et de votre réponse à cet effet, constituent un accord entre nos deux Gouvernements sur cette question, accord qui s'intitulera “Accord n° 11 (1995) entre le Royaume-Uni et le Sénégal relatif à des dettes” et entrera en vigueur à la date de votre réponse.

Je vous prie d'agréer, Monsieur le Ministre, l'assurance de ma très haute considération”.

J'ai l'honneur de confirmer que les modalités et conditions énoncées dans l'Annexe de ladite note sont acceptables pour le Gouvernement de la République du Sénégal et que votre note, l'Annexe qui l'accompagne et la présente réponse constituent un accord entre nos deux Gouvernements sur la question, accord qui s'intitule “Accord de Dette n° 11 entre le Royaume-Uni et le Sénégal (1995)” et entre en vigueur ce jour.

Je vous prie d'agréer, Monsieur l'Ambassadeur, l'assurance de ma très haute considération.

MAMADOU LAMINE LOUM

TRANSLATION OF NO. 2

*Dakar
13 November 1995*

Dear Ambassador,

I have the honour to acknowledge receipt of your Excellency's note of 9 October 1995 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 Senegal and that your Note together with its Annex, and this reply, shall constitute an Agreement between our two Governments which is known as “The United Kingdom/Senegal Debt Agreement No 11 (1995)” and enters into force today.

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

MAMADOU LAMINE LOUM

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