



Treaty Series No. 30 (1990)

# Exchange of Notes

between the Government of the  
United Kingdom of Great Britain and Northern Ireland  
and the Government of the Co-operative Republic of Guyana

concerning Certain Commercial Debts

(The United Kingdom/Guyana Debt Agreement No. 1 (1989))

Georgetown, 29 December 1989

*Presented to Parliament  
by the Secretary of State for Foreign and Commonwealth Affairs  
by Command of Her Majesty  
May 1990*

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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 CO-OPERATIVE REPUBLIC OF GUYANA  
CONCERNING CERTAIN COMMERCIAL DEBTS  
(THE UNITED KINGDOM/GUYANA DEBT AGREEMENT No. 1 (1989))**

No. 1

*The United Kingdom Acting High Commissioner at Georgetown to the  
Minister of Finance of Guyana*

*British High Commission  
Georgetown  
29 December 1989*

Your Excellency

I have the honour to refer to the Agreed Minute on the Consolidation of the Debt of the Co-operative Republic of Guyana which was signed at the Conference held in Paris on 24 May 1989, 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 Co-operative Republic of Guyana on the terms and conditions set out in the attached Annex.

If these terms and conditions are acceptable to the Government of the Co-operative Republic of Guyana, I have the honour to propose that this Note together with its Annex, and your reply to that effect, shall constitute an Agreement between the two Governments in this matter which shall be known as "The United Kingdom/Guyana Debt Agreement No. 1 (1989)" 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.

S J HISCOCK

ANNEX

SECTION 1

**Definitions and Interpretation**

- (1) In this Annex, unless the contrary intention appears:
- (a) "Agreed Minute" means the Agreed Minute on the Consolidation of the Debt of the Co-operative Republic of Guyana which was signed at the Conference held in Paris on 24 May 1989;
  - (b) "the Central Bank" means the Central Bank of Guyana;
  - (c) "Contract" means a contract, and any agreement supplemental thereto, entered into before 31 December 1988, the parties to which include a Debtor and a Creditor and which either is for the sale of goods and/or services from outside Guyana to a buyer in Guyana, or is in respect of the financing of such a sale;
  - (d) "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;
  - (e) "Debt" means any debt to which, by virtue of the provisions of Section 2(1), the provisions of this Annex apply;
  - (f) "Debtor" means the Government of Guyana (whether as primary debtor or as guarantor), or any person or body of persons or corporation resident or carrying on business in Guyana or any successor in title thereto;

- (g) "the Department" means the Secretary of State of the Government of the United Kingdom acting through 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) "Guyana" means the Co-operative Republic of Guyana;
  - (i) "Maturity" in relation to a Debt specified in:
    - (i) Section 2(1)(a) means 31 December 1988;
    - (ii) Section 2(1)(b) means the due date for the payment or repayment thereof under the relevant Contract, or  
 on a promissory note or bill of exchange drawn up pursuant thereto, or in the case of a Debt not owed by the Government of Guyana as primary or principal debtor or as guarantor, the date on which the amount of the obligation was deposited with the Central Bank, whichever is the later;
  - (j) "Reference Rate" means the rate quoted to the Department by a bank to be agreed upon by the Department and the Bank at which six-month sterling deposits are offered to that bank by prime banks in the London interbank market at 11 am (London time) two business days before the commencement of the relevant interest period in each year;
  - (k) "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, apply to:
- (a) any amount of interest charged under Section 5(1) in respect of amounts specified in:
    - (i) paragraph (b)(i)(aa), and
    - (ii) paragraph (b)(ii)(aa)
 of this Section, such interest having accrued on or before 31 December 1988;
  - (b) any amount of principal or contractual interest accruing up to Maturity which is guaranteed by the Department as to payment according to the terms of a Contract to be payable in Guyanese dollars, which does not arise from any amount payable on or as a condition of the formation, cancellation or termination of a Contract, and which:
    - (i) arises under or in relation to a Contract which granted or allowed credit for a period of one year or less and is owed by a Debtor to a Creditor which:
      - (aa) fell due for payment on or before 31 December 1988 and remains unpaid, or
      - (bb) fell due or will fall due for payment from 1 January 1989 to 28 February 1990 inclusive, or
    - (ii) arises under or in relation to a Contract which granted or allowed credit for a period exceeding one year and is owed by a Debtor to a Creditor which:
      - (aa) fell due for payment on or before 31 December 1988 and remains unpaid, or
      - (bb) fell due or will fall due for payment from 1 January 1989 to 28 February 1990 inclusive.

(2) The Department and the Bank shall, as soon as possible, agree and draw up a list of Debts ("the Debt List") to which, by virtue of the provisions of this Section, this Annex shall apply. The Debt List may be reviewed from time to time at the request of the Department or of the Bank, but may not be added to or amended without the agreement of both the Department and the Bank. Delay in the completion of the Debt List shall neither prevent nor delay the implementation of the other provisions of this Annex.

### SECTION 3

#### Amounts deposited with the Central Bank

Amounts deposited with the Central Bank shall remain deposited with the Central Bank until such time as they may be transferred to the Department to settle the Debts in accordance with the provisions of Section 6(1).

### SECTION 4

#### Payment of Debt

(1) Subject to the provisions of paragraph (2) of this Section, the Government of Guyana shall pay to the Department in accordance with the provisions of Section 6(1):

- (a) in respect of each Debt specified in Section 2(1)(a)(i) and Section 2(1)(b)(i)(aa)  
100% by 10 equal and consecutive half-yearly instalments commencing on 31 January 1994;
- (b) in respect of each Debt specified in Section 2(1)(a)(ii) and Section 2(1)(b)(ii)(aa)  
100% by 20 equal and consecutive half-yearly instalments commencing on 31 January 1999;
- (c) in respect of each Debt specified in Section 2(1)(b)(i)(bb)  
100% 10 equal and consecutive half-yearly instalments commencing on 31 January 1995; and
- (d) in respect of each Debt specified in Section 2(1)(b)(ii)(bb)  
100% by 20 equal and consecutive half-yearly instalments commencing on 31 January 2000

(2) If the conditions stated in Section IV paragraph 3 of the Agreed Minute are not fulfilled then payment of each Debt shall be due according to the original Contract.

### SECTION 5

#### Interest

(1) Interest shall be deemed to have accrued and shall accrue on the unpaid portion of each Debt during, and shall be payable in respect of, the period from Maturity until the settlement of that Debt by payment to the Department in accordance with Section 4.

(2) The Government of Guyana 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 pursuant to Section 4. Such interest shall be paid to the Department half-yearly on 31 January and 31 July each year except that the first payment shall be made on 1 March 1990.

(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 Guyana 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 of 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 and payable without further notice or demand of any kind.

(4) All interest payable in accordance with the provisions of this Section shall be paid at the rate of 0.5 per cent above the Reference Rate applicable to each six-monthly interest period commencing from the Maturity of the Debt concerned.

#### SECTION 6

##### **Payments to the Department**

(1) As and when payments become due under the terms of Section 4 and 5, the Bank shall arrange for the necessary amounts, without deduction for taxes, fees, other public charges or any other costs accruing inside or outside Guyana, to be paid in the currency specified in the Contract as being the currency in which the Debt is to be paid to the Department in the United Kingdom to an account details of which shall be notified by the Department to the Bank.

(2) The Bank 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 Government of Guyana shall exchange all information required for the implementation of this Annex.

#### SECTION 8

##### **Other Debt Settlements**

(1) The Government of Guyana undertakes to perform its obligations 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 country, 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 Guyana are authorised to act respectively on behalf of and to bind such Creditor and Debtor.

No. 2

*The Minister of Finance of Guyana to the United Kingdom  
Acting High Commissioner at Georgetown*

*Ministry of Finance  
Georgetown  
29 December 1989*

Dear Sir,

I have the honour to acknowledge receipt to Your Excellency's Note of 29 December 1989 which 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 Co-operative Republic of Guyana, and that your Note together with its Annex, and this reply, shall constitute and Agreement between our two Governments in this matter which shall be known as "The United Kingdom/Guyana Debt Agreement No. 1 (1989)" and which shall enter into force today.

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

Yours sincerely,  
CARL B. GREENIDGE

[Annex as in No. 1]



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