No. 9282

DENMARK
and
SENEGAL

Protocol of Agreement regarding a Danish Government Loan to Senegal (with annex and exchange of letters). Signed at Dakar, on 3 April 1968

Official text: French.

Registered by Denmark on 17 October 1968.

DANEMARK
et
SÉNÉGAL

Protocole d'accord relatif à un prêt du Gouvernement danois au Sénégal (avec annexe et échange de lettres). Signé à Dakar, le 3 avril 1968

Texte officiel français.

Enregistré par le Danemark le 17 octobre 1968.

[Translation — Traduction]

No. 9282. PROTOCOL OF AGREEMENT[1] BETWEEN DENMARK AND THE REPUBLIC OF SENEGAL REGARDING A DANISH GOVERNMENT LOAN TO SENEGAL. SIGNED AT DAKAR, ON 3 APRIL 1968

Between the Government of the Republic of Senegal, represented by Mr. Jean Collin, Minister of Finance, and

The Government of the Kingdom of Denmark, represented by His Excellency, Mr. Viggo Jensen, Ambassador at Dakar,

Which, desiring to strengthen the traditional co-operation and cordial relations between their countries,

Have agreed and decided as follows :

Article I

THE LOAN

With a view to the development of Senegal, the Danish Government undertakes to extend to the Senegalese Government (hereinafter called the Borrower) a loan of ten million Danish Kroner for the purpose of purchasing capital goods and paying for services as described in article VI of this Agreement.

Article II

LOAN ACCOUNT

(1) An account designated " Government of Senegal Special Account " (hereinafter called " Special Account ") shall be opened with Danmarks Nationalbank (acting as agent for the Lender) in favour of the Banque Nationale pour le Développement du Sénégal (BNDS) (acting as agent for the Borrower). The Lender shall ensure that sufficient funds are always available in the Special Account to enable the Borrower to effect punctual payment for the goods and services for which contracts have been concluded under the loan, provided, however, that the amounts successively made available to the Borrower shall not, in the aggregate, exceed the amount specified in article I.

(2) The Banque Nationale pour le Développement du Sénégal (BNDS) (acting as agent for the Borrower) shall be entitled, subject to the provisions of

[1] Came into force on 30 April 1968, the date on which the Danish Government informed the Government of Senegal that the Danish Parliamentary Committee on Ways and Means had approved the said Agreement, in accordance with article XIV (1).

this Agreement, to withdraw from the Special Account amounts needed for the purchase of goods or the payment of services for which contracts have been concluded under the loan.

Article III

RATE OF INTEREST

The loan shall be free of interest.

Article IV

REPAYMENT

(1) The Borrower undertakes to repay to the Lender the principal paid into the Special Account in thirty-five semi-annual instalments of 280,000 Danish Kroner each, the first of which shall fall due on 31 May 1975 and the last on 31 May 1992, and a final payment of 200,000 Danish Kroner, to be made on 30 September 1992.[1]

(2) The Borrower shall have the right to repay in advance of maturity all or part of one or more payments specified by him.

Article V

PLACE OF PAYMENT

The Borrower undertakes to repay the loan to Danmarks Nationalbank, in Danish Kroner or in any other convertible currency acceptable to that Bank, by crediting the current account of the Danish Ministry of Finance with Danmarks Nationalbank.

Article VI

USE OF THE LOAN BY SENEGAL

(1) The Borrower shall use the loan to pay for imports from Denmark (including transport charges from Denmark to Senegal) of capital goods required for carrying out Senegal's development plan (and included in the annexed list, which may be amended or extended with the mutual consent of the Contracting Parties). Under the Agreement the total disbursement shall not exceed the amount of ten million Kroner specified in article I.

[1] The original text which read : ... " the first of which shall fall due on 31 May 1975 and the last on 30 September 1992, and a final payment of 200,000 Danish Kroner to be made on 31 May 1993. " was corrected by an exchange of notes of 7 November 1968 at Rabat and 22 April 1969 at Dakar. A Certified Statement was registered by Denmark on 5 August 1969.

(2) The loan may also be used to pay for services rendered by Denmark and required for carrying out Senegal's development plan, including, in particular, pre-investment studies, preparation of projects, installation costs, services of engineering consultants, and technical and administrative assistance during, for example, the putting into operation of undertakings established by means of the loan.

(3) The Borrower shall ensure that the loan is used exclusively to pay for goods and services needed to fulfil contracts approved by both Parties. The special conditions relating to the payment of such goods and services, other than the conditions referred to in article II, shall be defined in detail by the Lender and the Borrower.

(4) The Lender shall approve contracts concluded under the loan but such approval shall not cause him to be held responsible for the proper execution or subsequent implementation of such contracts.

(5) The terms of payment laid down in a contract or other document establishing that an order has been placed with a Danish exporter for goods or services of the type mentioned above shall be deemed to be normal and reasonable when the said contract or document contains no clauses under which the Danish exporter grants special credit facilities.

(6) The Loan shall be used only to pay for goods or services contracted for after the entry into force of this Agreement.

(7) The Borrower may draw on the account with Danmarks Nationalbank referred to in article II for up to three years from the date of the entry into force of the Agreement or such other date as shall be fixed by agreement between the Lender and the Borrower.

(8) If the proceeds of the Loan have not been fully utilized within the period specified above, the semi-annual payments shall be reduced in the same proportion as the amount not utilized bears to the principal of the loan.

Article VII

NON-DISCRIMINATION

(1) The Borrower undertakes not to accord the Danish creditor less favourable treatment with regard to the repayment of the loan than that accorded to other foreign creditors.

(2) All shipments of capital goods under the loan shall be effected in accordance with the principle that all ships have the right to engage in international trade in conditions of free competition.