No. 27581

DENMARK
and
GUYANA

Agreement on the consolidation of debts (with appendix). Signed at Copenhagen on 19 April 1990

Authentic text: English.

Registered by Denmark on 10 October 1990.

DANEMARK
et
GUYANA

Accord relatif à la consolidation de dettes (avec annexe). Signé à Copenhague le 19 avril 1990

Texte authentique : anglais.

Enregistré par le Danemark le 10 octobre 1990.

AGREEMENT[1] BETWEEN THE GOVERNMENT OF THE KINGDOM OF DENMARK AND THE GOVERNMENT OF THE COOPERATIVE REPUBLIC OF GUYANA

The Government of the Kingdom of Denmark and the Government of the Cooperative Republic of Guyana have in accordance with the Agreed Minute, signed in Paris on May 24, 1989 as a result of the conference on the debt of the Cooperative Republic of Guyana, at which the Government of the Kingdom of Denmark and the Government of the Cooperative Republic of Guyana were represented, agreed as follows:

Article I
Debts concerned

The present Agreement shall apply to the servicing of debts which

A. relate to commercial credits guaranteed by the Danish Export Credit Agency "Eksportkreditrådet" (hereinafter referred to as "EKR"), entered into before December 31, 1988 and having an original maturity of more than one year.

B. relate to commercial credits guaranteed by EKR, entered into before December 31, 1988 and having an original maturity of one year or less.

Article II
Terms of Rescheduling

1. The Government of the Kingdom of Denmark commits itself to reschedule 100% of the amounts of principal and contractual interest (including late interest) mentioned in Article I.

[1] Came into force on 19 April 1990 by signature, in accordance with article IX.

Repayment by the Government of the Cooperative Republic of Guyana of the corresponding sums will be made in 20 equal and successive semi-annual payments, the first payment to be made on April 30, 2000, and the final payment to be made on October 31, 2009.

2. The same provisions apply to late and moratorium interest accrued and not paid as at October 31, 1990.

Article III
Debts Involved

1. The debts involved are agreed to be:

    1. USD 1.987.665,77

    2. DKK 3.373.144,02

These amounts are specified in the attached Appendix 1.

2. The Danish Krone (DKK) amount shall be converted into US Dollars at the rate of 6,3735 DKK per US Dollar (the rate prevailing on April 19, 1990).

   The conversion and late interest computation shall be specified in an Appendix 2 to be prepared by EKR and agreed with the Ministry of Finance of Guyana.

3. If needed, the Appendices may be altered or amended by agreement between EKR and The Ministry of Finance, acting with regard to such alterations and amendments, on behalf of their respective Governments.

   The Appendices are an integral part of the Agreement.

Article IV
Interest

1. The Government of the Cooperative Republic of Guyana shall be liable for and shall pay interest in accordance with the provisions of this article.

2. Interest shall be calculated on the outstanding amounts on the basis of 365 days a year.

3. Interest shall accrue from the maturity date of each individual debt and shall be payable until the settlement of the debt by payment to EKR, and shall be paid and transferred to EKR in the currency of the debt.

4. Interest shall be paid semi-annually in arrears on April 30 and October 31 of each year commencing on April 30, 1991.

5. A. The interest rate to be used to calculate the late and moratorium interest until October 31, 1990 shall be: 9,00 per cent per annum.

B. From November 1, 1990 the rate on interest on debts owed in US dollars will be determined by the Government of the Kingdom of Denmark on the second business day prior to the commencement of the relevant interest period in the following way:

The Government of the Kingdom of Denmark will request three prime banks in the London Interbank Market to inform the Government of the Kingdom of Denmark of the rate at which six-month Euro-dollar deposits are offered to them as of 11.00 a.m. (London time) on such interest determination date. The Government of the Kingdom of Denmark will then calculate the arithmetic mean of the quotations (if necessary, rounded up to the nearest 1/16th of the one per cent), and then add 0.5 per cent. However, the interest rate including the spread shall not exceed 9,25 per cent per annum.

If any interest payment date would otherwise fall on a day which is not a business day in London, it shall be postponed to the next day which is a business day.

6. In the event that an amount payable under Article II and paragraph 4 above has not been received on the due date thereof, interest shall be paid on such amount from the due date up to and including the day of actual payment at the rate determined in paragraph 5 of this article.

Article V
Payments

The payments referred to in Article II and V concerning the Commercial Credits shall be paid to the account of EKR, Account No 6344-5 with Danmarks Nationalbank, Havnegade 5, DK-1058 Copenhagen K, Denmark.

All payments shall be made without deduction for taxes, fees or other public charges or any other costs accruing inside Guyana.

Article VI
Implementation

The Agency responsible for the implementation of this Agreement on behalf of the Government of the Kingdom of Denmark is EKR. The address is: