



Treaty Series No. 17 (1969)

Agreement

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

on certain Commercial Debts

Djakarta, 31 October 1968

[The Agreement entered into force on signature]

*Presented to Parliament by
the Secretary of State for Foreign and Commonwealth Affairs
by Command of Her Majesty
January 1969*

LONDON
HER MAJESTY'S STATIONERY OFFICE

9d. net

AGREEMENT
BETWEEN THE GOVERNMENT OF THE UNITED KINGDOM OF
GREAT BRITAIN AND NORTHERN IRELAND AND THE
GOVERNMENT OF THE REPUBLIC OF INDONESIA ON
CERTAIN COMMERCIAL DEBTS

The Government of the United Kingdom of Great Britain and Northern Ireland and the Government of the Republic of Indonesia;

Considering the statement made on behalf of the Indonesian Government at the multilateral conference at Tokyo on 19th and 20th September, 1966, wherein the Indonesian Government expressed their need to request creditors to agree to a deferment of debt repayments;

Considering that the terms on which such deferment should be effected were expressed in the agreed minute of a multilateral conference held at Paris on 19th and 20th December, 1966;

Considering the Agreement concluded between the Government of the United Kingdom of Great Britain and Northern Ireland and the Government of the Republic of Indonesia at Djakarta on 1st August, 1967⁽¹⁾, for the establishment of a transfer scheme for the repayment of debts owing by Indonesian debtors to United Kingdom creditors and falling due for payment on or before 31st December, 1967, on such terms;

Considering the terms of the agreed minute of a multilateral conference held at Paris on 17th and 18th October, 1967 at which the representatives of the participating countries and of Indonesia agreed to recommend to their Governments to negotiate formal agreements to reschedule or refinance amounts of debt service falling due in 1968 for contracts which had entered into force prior to 1st July, 1966, in accordance with the terms of the agreed minute of December 1966;

Desiring to conclude an Agreement for the establishment of a transfer scheme for the repayment of such debts owing by Indonesian debtors to United Kingdom creditors on such terms;

Have agreed as follows:

ARTICLE 1

Definition

For the purpose of this Agreement, "Main Agreement" shall mean the Agreement concluded between the Government of the United Kingdom of Great Britain and Northern Ireland and the Government of the Republic of Indonesia at Djakarta on 1st August, 1967.

(1) "Treaty Series No. 18 (1968)", Cmnd. 3528.

ARTICLE 2

The debts

The provisions of this Agreement shall apply to any debt:

(a) which arises under or in relation to a contract entered into before 1st July, 1966; and

(b) which has already fallen or will fall due for payment in the year 1968;

and shall include the obligations of a guarantor, of the acceptor and endorser of a bill of exchange, of the issuer and endorser of a promissory note and of the issuer of a letter of credit.

ARTICLE 3

Application of provisions of the Main Agreement to debts to which this Agreement applies

The provisions of the Main Agreement shall apply to the debts to which this Agreement applies but in relation to such debts such provisions shall have effect as if:

(a) for Article 2 of the Main Agreement there were substituted Article 2 of this Agreement and references in the Main Agreement to Article 2 were references to Article 2 of this Agreement;

(b) for Annex 1 to the Main Agreement there were substituted Annex 1 to this Agreement and references in the Main Agreement to Annex 1 were references to Annex 1 to this Agreement;

(c) in paragraph 2 of Annex 2 to the Main Agreement for the date "31st December, 1970" there were substituted the date "31st December, 1971".

IN WITNESS WHEREOF the undersigned, duly authorised thereto by their respective Governments, have signed this Agreement.

Done in duplicate at Djakarta this thirty-first day of October, 1968.

For the Government of the United
Kingdom of Great Britain and
Northern Ireland:

H. C. HAINWORTH.

For the Government of the Republic
of Indonesia:

ADAM MALIK.

ANNEX I

Transfer scheme

1. The amount of each debt shall be transferred to the United Kingdom as follows:

- (a) 5% in four instalments of 1.25% each on 31st March, 30th June, 30th September, and 31st December of the year 1972;
- (b) 30% in twelve instalments of 2.5% each on 31st March, 30th June, 30th September, and 31st December of the years 1973, 1974 and 1975;
- (c) 45% in twelve instalments of 3.75% each on 31st March, 30th June, 30th September, and 31st December of the years 1976, 1977 and 1978; and
- (d) 20% in four instalments of 5% each on 31st March, 30th June, 30th September, and 31st December of the year 1979.

2. Moratorium interest shall be transferred to the United Kingdom as follows:

- (a) In the case of such interest accruing up to and including 31st December, 1971, the amount so accrued shall be payable on a non-compounded basis by eight equal annual instalments beginning on 1st July, 1972.
- (b) In the case of interest accruing on and after 1st January, 1972, the amounts accruing shall be payable quarterly beginning on 31st March, 1972.