



Treaty Series No. 16 (1975)

Exchange of Notes
on revised Arrangements for the
Payment of Debts due from the
Government of Pakistan to the
Government of the United Kingdom
of Great Britain and Northern Ireland
under certain Credit Agreements

4/12
6/12
11/12/75

Islamabad, 29 June 1974

[The Agreement entered into force on 29 June 1974]

*Presented to Parliament
by the Secretary of State for Foreign and Commonwealth Affairs
by Command of Her Majesty
February 1975*

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EXCHANGE OF NOTES
ON REVISED ARRANGEMENTS FOR THE PAYMENT OF
DEBTS DUE FROM THE GOVERNMENT OF
PAKISTAN TO THE GOVERNMENT OF THE UNITED KINGDOM
OF GREAT BRITAIN AND NORTHERN IRELAND
UNDER CERTAIN CREDIT AGREEMENTS

No. 1

*Her Majesty's Ambassador at Islamabad to the Secretary to the Government
of Pakistan, Economic Affairs Division*

*British Embassy,
Islamabad.*

Sir,

29th June, 1974.

I have the honour to refer to discussions between representatives of the Government of the United Kingdom of Great Britain and Northern Ireland and representatives of the Government of Pakistan concerning letters exchanged between the Board of Trade of the United Kingdom acting by the Export Credits Guarantee Department thereof and the Government of Pakistan on 28 December 1960,⁽¹⁾ 16 March 1961,⁽¹⁾ 8 January 1962,⁽¹⁾ 5 November 1962,⁽¹⁾ 18 June 1963,⁽¹⁾ 25 February 1964,⁽¹⁾ 13 October 1964,⁽¹⁾ 23 December 1964,⁽¹⁾ 23 December 1964⁽¹⁾ and 19 February 1965,⁽¹⁾ and known as the United Kingdom-Pakistan Credit Agreements (hereinafter together with later amendments thereto called "the Credit Agreements") and to inform you that the Government of the United Kingdom are prepared to conclude an agreement with the Pakistan Government in the following terms:

1. The Government of the United Kingdom shall not require the Government of Pakistan to make any further payments, in respect of sums which fell due or which shall have fallen due during the period from 1 July 1973 to 30 June 1974, both dates inclusive, pursuant to promissory notes issued in accordance with the provisions of the Credit Agreements.
2. The Government of Pakistan shall pay to the Export Credits Guarantee Department of the United Kingdom or any other department which the Government of the United Kingdom may nominate for the purposes of this Agreement (hereinafter referred to as "the Department") the sum of £4,656,190·38 (Four million, six hundred and fifty-six thousand, one hundred and ninety pounds and thirty-eight new pence sterling) by seven equal half-yearly instalments of £665,170·05 (Six hundred and sixty-five thousand, one hundred and seventy pounds and five new pence sterling). The first instalment shall be paid on 1 July 1975 and the remaining instalments shall be paid on 1 January and 1 July in each year commencing on 1 January 1976.

(1) Not published as a Command Paper.

The Government of Pakistan when paying an instalment shall pay to the Department interest upon that instalment calculated at the rate of one per cent per annum from 1 July 1975 to the date of payment of that instalment.

3. Notwithstanding the provisions of paragraph 2 of this agreement the Government of Pakistan may pay to the Department the principal amount of any sum referred to in that paragraph, or any part thereof, before its due date together with all the interest accrued thereon up to the date of receipt by the Department of such principal amount.
4. If the foregoing proposals are acceptable to the Government of Pakistan I have the honour to suggest that the present Note together with your reply in that sense shall constitute an agreement between the Government of the United Kingdom and the Government of Pakistan which shall enter into force on the date of your reply.
5. I avail myself of the opportunity to renew to your Excellency the assurance of my highest consideration.

J. L. PUMPHREY
H.M. Ambassador.

No. 2

*The Secretary to the Government of Pakistan, Economic Affairs Division,
to Her Majesty's Ambassador at Islamabad*

Sir,

29th June, 1974.

I have the honour to acknowledge receipt of your Note of today's date which reads as follows:—

[As in No. 1]

I have the honour on behalf of the Government of Pakistan to inform you that the foregoing proposals are acceptable and to agree that your Note and this reply shall constitute an agreement in this matter between the two Governments which shall enter into force on this day's date.

AFTAB AHMAD KHAN