



Treaty Series No. 31 (1997)

# Exchange of Notes

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

concerning Certain Commercial Debts  
(United Kingdom/Mali Debt Agreement No. 4 (1996))

Dakar, 30 January 1997 and Bamako, 14 February 1997

[The Agreement entered into force on 14 February 1997]

*Presented to Parliament  
by the Secretary of State for Foreign and Commonwealth Affairs  
by Command of Her Majesty  
May 1997*

*Her Majesty's Ambassador (Resident at Dakar) to the Minister of Finance and Commerce*

British Embassy  
Dakar  
30 January 1997

Your Excellency,

I have the honour to refer to the Agreed Minute on the Consolidation of the Debt of the Republic of Mali which was signed at the Conference held in Paris on 20 May 1996, 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 Republic of Mali on the terms and conditions set out in the attached Annex.

If these terms and conditions are acceptable to the government of the Republic of Mali, 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/Mali Debt Agreement No 4 (1996)" 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 considerations".

ALAN FURNESS

ANNEX

SECTION 1

**Definitions and Interpretation**

- (1) In this Annex, unless the contrary intention appears:
- (a) "the Agreed Minute" means the Agreed Minute on the Consolidation of the Debt of the Republic of Mali which was signed at the Conference held in Paris on 20 May 1996;
  - (b) "Appropriate Market Rate" means the Reference Rate plus 0.5 per cent;
  - (c) "Business Day" means a day excluding Saturday and Sunday on which dealings are carried on in the London interbank market and (if payment is required to be made on such day) on which banks are open for domestic and foreign exchange business in both London and New York City;
  - (d) "Debt" means any debt to which, by virtue of the provisions of Section 2, the provisions of this Annex apply;
  - (e) "the Department" means the Secretary of State acting by the Export Credits Guarantee Department or any other Department of the Government of the United Kingdom which the Secretary of State may subsequently nominate for the purpose hereof;
  - (f) "the First Agreement" means the Agreement between the Government of the United Kingdom and the Government of Mali on Certain Commercial Debts signed on 14 February 1990;
  - (g) "Mali" means the Republic of Mali;
  - (h) "Maturity" in relation to a Debt means 19 May 1996;
  - (i) "the Ministry" means the Ministry of Finance and Trade or any other institution which the Government of Mali may nominate for the purposes of this Annex;
  - (j) "Reference Rate" means the rate (rounded upwards where necessary to the nearest

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<sup>1</sup>Treaty Series No. 39 (1991), Cm 1588.

multiple of 1/16th (one sixteenth) of one per cent) quoted to the Department by a bank to be agreed upon by the Department and the Ministry as the rate at which the bank is offering six-month eurodollar deposits in the London Interbank Market at 11 am (London time) two Business Days before the commencement of the relevant interest period;

- (k) “the Second Agreement” means the Agreement between the Government of the United Kingdom and the Government of Mali on Certain Commercial Debts signed on 9 November 1990;
- (l) “the Third Agreement” means the Agreement between the Government of the United Kingdom and the Government of Mali on Certain Commercial Debts signed on 20 September 1993;
- (m) “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 360 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**

The provisions of this Annex shall, subject to the provisions of Article V paragraph 1 of the Agreed Minute, apply to:

- (a) any amount of principal payable, or interest accrued to Maturity, under the First Agreement;
- (b) any amount of principal payable, or interest accrued to Maturity, under the Second Agreement;
- (c) any amount of principal payable, or interest accrued to Maturity, under the Third Agreement.

## SECTION 3

### **Payments under the First Agreement, the Second Agreement and the Third Agreement**

The provisions of the First Agreement, the Second Agreement and the Third Agreement except insofar as they relate to the payment as such of any Debt as defined herein shall cease to apply upon the entry into force of this Agreement.

## SECTION 4

### **Debt Reduction Reorganisation and Payment**

- (1) The Department shall
  - (a) reduce the amount of Debt specified in Section 2(a) by 63.73%;
  - (b) reduce the amount of Debt specified in Section 2(b) by 63.07%;
  - (c) reduce the amount of Debt specified in Section 2(c) by 62.02%.

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<sup>1</sup>Treaty Series No. 77 (1991), Cm 1743.

<sup>2</sup>Treaty Series No. 6 (1994), Cm 2473.

(2) The Government of Mali shall then pay to the Department, in accordance with the provisions of Section 6(1), the remainder of each Debt specified in Section 2 on the following dates and in the following percentages:

<i>Repayment Date</i>	<i>Percentage to be repaid</i>
20 November 2002	0.12
20 May 2003	0.20
20 November 2003	0.28
20 May 2004	0.38
20 November 2004	0.48
20 May 2005	0.58
20 November 2005	0.70
20 May 2006	0.82
20 November 2006	0.94
20 May 2007	1.08
20 November 2007	1.22
20 May 2008	1.36
20 November 2008	1.52
20 May 2009	1.70
20 November 2009	1.86
20 May 2010	2.06
20 November 2010	2.26
20 May 2011	2.46
20 November 2011	2.68
20 May 2012	2.92
20 November 2012	3.18
20 May 2013	3.44
20 November 2013	3.70
20 May 2014	4.00
20 November 2014	4.30
20 May 2015	4.64
20 November 2015	4.98
20 May 2016	5.34
20 November 2016	5.72
20 May 2017	6.12
20 November 2017	6.54
20 May 2018	7.00
20 November 2018	7.46
20 May 2019	7.96

## SECTION 5

### Interest

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

(2) The Government of Mali 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. Such interest shall be paid to the Department half-yearly on 20 May and 20 November (the "Due Dates") each year commencing on 20 November 1996.

(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 Mali 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 for 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 without further notice or demand.

(4) All interest payable in accordance with the provisions of this Section shall be paid at the Appropriate Market Rate applicable to each half-yearly interest period commencing with the half-yearly interest period within which the Maturity of the Debt concerned occurs.

## SECTION 6

### **Payments to the Department**

(1) When payment becomes due under the terms of Section 4 or 5, the Ministry shall arrange for the necessary amounts, without deduction of taxes, fees, other public charges or any other costs accruing inside or outside Mali, to be paid in US Dollars to an account notified by the Department to the Ministry.

(2) If the day on which such payment falls due is not a Business Day payment shall be made on the nearest Business Day.

(3) The Ministry 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 Ministry shall exchange all information required for the implementation of this Annex.

## SECTION 8

### **Other Debt Settlements**

(1) The Government of Mali undertakes to fulfil its commitments 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, 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

### **Debt Conversion Option**

The Government of the United Kingdom shall give prior notification to the Government of Mali if it is willing to exercise the option provided for in Article II paragraph 3 of the Agreed Minute. This option may only be implemented with the consent of the Government of Mali.

## SECTION 10

### **Conditionality**

Unless the Department otherwise agrees, this Annex shall become null and void if the provisions of Article II of the Agreed Minute are declared null and void due to the failure of Mali to comply with Article V paragraph 1 thereof. If this Annex becomes null and void all outstanding payments shall once again become due in accordance with the payment schedules in the First, Second and Third Agreements.

No. 2

*The Minister of Finance and Commerce to Her Majesty's Ambassador at Dakar*

*Bamako*

*14 February 1997*

Excellence,

J'ai l'honneur d'accuser réception de la note de votre Excellence du 30 Janvier 1997 qui dans sa traduction est formulée comme suit:

“Monsieur le Ministre,

J'ai l'honneur de me référer au Procès-Verbal agréé relatif à la consolidation de la dette de la République du Mali qui a été signé à la Conférence tenue à Paris le 20 Mai 1996 et d'informer votre Excellence que le Gouvernement du Royaume-Uni de Grande Bretagne et d'Irlande du Nord est disposé à accorder un allègement de dette au Gouvernement de la République du Mali suivant les modalités et conditions énoncées à l'annexe ci-jointe.

Si ces modalités et conditions sont acceptables pour le Gouvernement de la République du Mali, j'ai l'honneur de proposer que la présente lettre, accompagnée de son annexe, et votre réponse à cet effet constituent un Accord entre nos deux Gouvernements à ce sujet, qui s'intitulera “Accord No. 4 (1996) entre le Royaume-Uni et le Mali relatif à des dettes” et entrera en vigueur à la date de votre réponse.

J'ai l'honneur de faire part à votre Excellence, de l'assurance de ma très haute considération”.

J'ai l'honneur de confirmer que les modalités et conditions énoncées à l'annexe de votre note sont acceptables pour le Gouvernement de la République du Mali et que votre note, accompagnée de son annexe, et la présente réponse, constituent un Accord entre nos deux Gouvernements à ce sujet, qui s'intitule “Accord No. 4 (1996) entre le Royaume-Uni et le Mali relatif à des dettes” et entre en vigueur ce jour.

J'ai l'honneur de faire part à votre Excellence des assurances de ma haute considération.

**SOUMAILA CISSE**

[Translation of No. 2]

*Bamako,*  
*14 February 1997*

Ambassador,

I have the honour to acknowledge receipt of Your Excellency's Note of 30 January 1997 which is formulated as follows:

[As in No. 1]

[Annex 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 Republic of Mali, and that your Note together with its Annex, and this reply, constitute an Agreement between our two Governments in this matter which is known as "The United Kingdom/Mali Debt Agreement No. 4 (1996)" and enters into force today.

Please accept, Ambassador, the assurance of my highest consideration.

SOUMAILA CISSE



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ISBN 0-10-136592-6



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