

1999

AGREEMENT

Between the Government of the Kingdom of Denmark and
the Government of the Co-operative Republic of Guyana
on the reduction and consolidation of the debt
of the Co-operative Republic of Guyana
to the Kingdom of Denmark

The Government of the Kingdom of Denmark and the Government of the Co-operative Republic of Guyana have – in accordance with the Agreed Minute signed in Paris on June 25, 1999, as a result of the conference on the consolidation of the debt of the Co-operative Republic of Guyana, at which the Government of the Kingdom of Denmark and the Government of the Co-operative Republic of Guyana were represented – agreed as follows:

Article I

Debts Concerned

The present Agreement shall apply as from May 23, 1999 to all payments due under the Consolidation Agreement of April 17, 1997 between the Kingdom of Denmark and the Co-operative Republic of Guyana.

Article II

Terms of the Consolidation

- A. For the purpose of this Agreement “the Relevant Principal” means: 65% of the amount of principal outstanding as of May 23, 1999 inclusive, of the debts mentioned in Article I.

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It is understood that the 35% remaining due continue to be paid according to the terms of the bilateral implementing rescheduling agreement signed on April 17, 1997 in accordance with the Agreed Minute of the Paris Club of May 23, 1996.

B. In accordance with the Agreed Minute of the Paris Club of June 25, 1999, debt relief will be given in the following way:

40% of the Relevant Principal for debts described in Article I above will be cancelled.

The remaining 60% of the Relevant Principal will be rescheduled.

Repayment by the government of Guyana of the corresponding amounts will be made as described in Table A1 attached to the Agreed Minute signed in Paris on June 25, 1999. The first semester referred to in the table is the period beginning on November 23, 1999. For each semester it is understood that that the due date is the first day of the semester. The first instalment falls due on November 23, 2005, and the last instalment falls due on May 23, 2022.

Article III

Amounts Involved

The Relevant Principal referred to in Article II is calculated as follows:

Outstanding principal as of May 23, 1999 in bilateral agreement of April 17,			
1997:		USD	1.451.970,99
<u>Relevant principal:</u>	65% of the above	USD	943.781,15
	of which to be cancelled: 40%	USD	377.512,46
	of which to be rescheduled: 60%	USD	566.268,69

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Amount which continues to be governed by the bilateral agreement of		
April 17, 1997:	USD	508.189,85

Article IV

Interest

Interest shall be paid by the Government of Guyana in accordance with the following provisions:

1. General Provisions:

- Interest shall be calculated on the rescheduled amounts on the basis of 365 days a year-
- If any interest payment date would otherwise fall on a day, which is not a business day in Copenhagen, it shall be postponed to the next business day.
- Interest shall accrue from the maturity date of each rescheduled amount and shall be payable until the settlement of the debt by payment to Eksport Kredit Fonden (the Export Credit Fund) hereinafter referred to as "EKF", and transferred in the currency of the debt.

2. Payment dates:

- Interest shall be paid semi-annually in arrears on May 23 and November 23 of each year.
- However, the first payment shall be made on November 23, 2000, and shall cover the period from May 23, 1999 until November 22, 2000 inclusive.

3. Interest rates:

From May 23 1999 the interest rate will be 6,5 percent per annum.

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4. Payment due under the 1997 bilateral agreement:

It is understood that the interest payment due on November 23, 1999 under the bilateral rescheduling agreement of April 17, 1997 will be made on January 7, 2000 without calculation of late interest on this amount until that date.

Article V

Late Interest

In the event that any amount payable according to this Agreement has not been paid within 30 days after the due date thereof, late interest shall be paid on such amount from the due date up to the day of actual payment at a rate of 7,0 percent per annum.

Article VI

Payments

The payments referred to in Article II, IV and V shall be made to the account of EKF with Den Danske Bank, Storkunde, Holmens Kanal 2-12, DK 1092, Copenhagen K. Swift address DABADKKK, account no. 3001 3001 898 027.

All Payments shall be made without deduction for taxes, fees or other public charges or any other costs accruing outside the Kingdom of Denmark.

Each payment shall be identified with a reference to the present Agreement.

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Article VII
Implementation

The Agency responsible for the implementation of this Agreement on behalf of the Government of Denmark is EKF.

The address is: Eksport Kredit Fonden
Langelinie Allé 17
DK-2100 Copenhagen Ø.
Denmark
Phone: (45) 35 46 61 00
Fax: (45) 35 46 61 11

The Agency responsible for the implementation of this Agreement on behalf of the Government of Guyana is the Ministry of Finance.

The address is: Ministry of Finance
Main and Urquhart Streets
Georgetown
Guyana

Phone: 592 2 55797 or 592 2 73931
Fax: 592 2 73931 or 592 2 61284

Article VIII
Conditionality

The provisions of the present Agreement will apply provided that the conditions set out in Article III and IV of the Agreed Minute signed in Paris on June 25, 1999 are met.

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Any determination of non-compliance with those conditions shall be made on a multilateral basis by the participating creditor countries within the framework of the Agreed Minute. In this circumstance all amounts due will be payable on demand.

Article IX
Comparability of Treatment

Notwithstanding the provisions and terms of the present Agreement, the Government of Guyana commits itself to accord to Denmark a treatment no less favourable than might be accorded to any other creditor in connection with restructuring debts comparable in nature to those embraced by the present Agreement.

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Article X

Entry into Force and Duration

The present Agreement shall enter into force as soon as the Government of Denmark through diplomatic channels has informed the Government of Guyana that the legal requirements for this Agreement, including budgetary approval, have been fulfilled.


The present Agreement shall remain in force until the last payment under the Agreement has been made.

Done in Georgetown in duplicate in the English language on November 17, 2000

FOR THE GOVERNMENT OF THE
KINGDOM OF DENMARK

FOR THE GOVERNMENT OF THE
CO-OPERATIVE REPUBLIC OF
GUYANA

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