

No. 14091

**UNITED KINGDOM OF GREAT BRITAIN
AND NORTHERN IRELAND
and
PERU**

Exchange of notes constituting an agreement concerning a development loan by the Government of the United Kingdom to the Government of Peru for studies for the new works of the port system of the Chimbote area (with annexes). Lima, 22 March 1972

Authentic texts: English and Spanish.

Registered by the United Kingdom of Great Britain and Northern Ireland on 26 June 1975.

**ROYAUME-UNI DE GRANDE-BRETAGNE
ET D'IRLANDE DU NORD
et
PÉROU**

Échange de notes constituant un accord relatif à un prêt de développement du Gouvernement du Royaume-Uni au Gouvernement du Pérou en vue de l'étude de travaux d'agrandissement du système portuaire de la région de Chimbote (avec annexes). Lima, 22 mars 1972

Textes authentiques : anglais et espagnol.

Enregistré par le Royaume-Uni de Grande-Bretagne et d'Irlande du Nord le 26 juin 1975.

EXCHANGE OF NOTES CONSTITUTING AN AGREEMENT¹ BETWEEN THE GOVERNMENT OF THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND AND THE GOVERNMENT OF THE REPUBLIC OF PERU CONCERNING A DEVELOPMENT LOAN BY THE GOVERNMENT OF THE UNITED KINGDOM TO THE GOVERNMENT OF PERU FOR STUDIES FOR THE NEW WORKS OF THE PORT SYSTEM OF THE CHIMBOTE AREA

I

*Her Majesty's Ambassador at Lima
to the Minister for Foreign Affairs of Peru*

BRITISH EMBASSY
LIMA

22 March 1972

Note No. 29

Your Excellency,

1. I have the honour to refer to the recent correspondence and discussions concerning development aid from the Government of the United Kingdom of Great Britain and Northern Ireland to the Government of the Republic of Peru and to inform Your Excellency that the Government of the United Kingdom are prepared to conclude an Agreement with the Government of Peru in the following terms. The position of the Government of the United Kingdom with regard to the provision of finance and the commitment of that Government and the Government of Peru as regards associated matters shall be as respectively set out in Part A and Part B below.

A. The Government of the United Kingdom declares its intention of making available to the Government of Peru, by means of a loan, a sum which shall not exceed £200,000 (two hundred thousand pounds sterling) to pay the costs deriving from the provision of technical services from the United Kingdom to carry out the preliminary technical studies and the preparation of the project and the final design, up to the level of international tender, for the carrying out of the new works of the port system of the Chimbote area. In the contract to be concluded for the provision of the aforementioned technical services from the United Kingdom shall be detailed the relative specifications, rights and obligations of the contracting parties, the terms of reference which shall govern the studies, the amount of the honoraria, the form and authorisation of their payment, control and supervision of the studies and any other element of interest to the contracting parties.

B. (1) The Government of the United Kingdom shall adopt the arrangements and procedures described in the following paragraphs of this Note insofar as they relate to things to be done by or on behalf of that Government. The Government of Peru shall adopt the arrangements and procedures so described insofar as they relate to things to be done by or on behalf of that Government.

(2) (a) For the purpose of these arrangements the Government of Peru shall, by a request in the form set out in Annex A to this Note, open a special account (hereinafter referred to as "the Account") with the Crown Agents for Oversea Governments and Administrations, 4 Millbank, London, S.W.1 (hereinafter referred to as "the Crown Agents"). The Account shall be operated in accordance with the instructions contained in the said request.

(b) As soon as the Account is opened and before taking any other step required by these arrangements for obtaining any part of the loan, the Government of Peru shall furnish the Government of the United Kingdom with a copy of their instructions to the Crown Agents given in

¹ Came into force on 22 March 1972, the date of the note in reply, in accordance with the provisions of the said notes.

accordance with the foregoing provisions of this paragraph. The Government of Peru, or the Crown Agents on their behalf, shall at the same time and so often as any change is made therein, notify the Government of the United Kingdom of the names of the officers who are duly authorised to sign on its behalf the Requests for Drawing hereinafter provided and shall furnish a specimen signature in duplicate of each such officer.

(3) Save and to the extent (if any) to which the Government of the United Kingdom may otherwise agree, drawings from the loan shall be used only:

- (a) for payments under a contract for work to be done or for services to be rendered by persons ordinarily resident or carrying on business in the United Kingdom (which expression in this Note shall be deemed to include the Channel Islands and the Isle of Man) being a contract which:
 - (i) provides for payments in sterling to persons carrying on business in the United Kingdom; and
 - (ii) is approved on behalf of the Government of Peru and accepted on behalf of the Government of the United Kingdom for financing from the loan; and
 - (iii) is a contract entered into after the date of this Note and before 31 March 1972.
- (b) for payment of charges and commissions due to the Crown Agents in respect of their services on behalf of the Government of Peru in connection with this loan.

(4) Where the Government of Peru proposes that part of the loan shall be applied to a contract, that Government shall ensure that the Crown Agents acting on their behalf obtain at the earliest opportunity:

- (i) a copy of the contract, and
- (ii) two copies of a certificate from the United Kingdom contractor concerned in the form set out in Annex B to this Note.

(5) (a) After the Crown Agents acting on behalf of the Government of the United Kingdom have considered the documents obtained in pursuance of the procedure described in the foregoing provisions of this Note, they shall decide whether and to what extent a contract is eligible for payment from the loan.

(b) To the extent that the Crown Agents acting on behalf of the Government of the United Kingdom so accept a contract and agree to payment from the Account, the Government of the United Kingdom shall, on receipt of a request from the Crown Agents acting on behalf of the Government of Peru, in the form set out in Annex C to this Note, make payments in sterling into the Account, and each such payment shall constitute a drawing on the loan.

(c) Unless the Government of the United Kingdom otherwise agrees payments into the Account shall not be made after 31 March 1973.

(6) Withdrawals from the Account shall be made only in the manner and subject to the conditions set out in this paragraph:

- (a) for payments due under a contract to which paragraph B (3) (a) refers, withdrawals shall be made only on receipt by the Crown Agents of Payment Certificates from the Contractors concerned, in the form shown in Annex D hereto and the invoices (or a photocopy or duplicates of such invoices) referred to therein;
- (b) for payments to which paragraph B (3) (b) refers, the Crown Agents shall debit the Account.

(7) If any monies that have been paid out of the Account are subsequently refunded either by a Contractor or by a Guarantor, the Government of Peru shall, so long as there are payments to be made from the Account, pay an equivalent of such sums into the Account and, in any other case, apply the refund to the reduction of the loan.

(8) The Government of Peru shall repay to the Government of the United Kingdom in pounds sterling in London, the total sum borrowed under the arrangements set out in this Note, such repayments to be made by instalments paid on the dates and in the amounts specified below; except that if, on the date when any such instalment is due to be paid, there is then outstanding less than the amount specified in relation to that date only the amount then outstanding need be paid.

INSTALMENTS

<i>Date due</i>	<i>Amount</i> £
22 September 1979 and on 22 September in each of the succeeding 17 years	5,600
22 March 1980 and on 22 March in each of the succeeding 16 years	5,600
22 March 1997	4,000

(9) Notwithstanding the provisions of paragraph (8) of this Note, the Government of Peru shall be free at any earlier time to repay to the Government of the United Kingdom in pounds sterling in London the whole or any part of the loan that is still outstanding.

2. If the foregoing proposals are acceptable to the Government of Peru, I have the honour to propose that the present Note and its Annexes together with Your Excellency's reply in that sense shall constitute an Agreement between the two Governments which shall enter into force on the date of your reply and it shall be known as the United Kingdom/Peru Loan Agreement No. 2, 1972.

I avail myself of this opportunity to renew to Your Excellency the assurance of my highest consideration.

H. T. MORGAN

ANNEX A

GOVERNMENT OF THE REPUBLIC OF PERU

To: The Crown Agents for Overseas
Governments and Administrations
4 Millbank, London, S.W.1

Dear Sir,

United Kingdom/Peru Loan No. 2, 1972

1. I confirm your appointment as agents of the Government of the Republic of Peru (hereinafter called "the Government") in connection with the purchase and payment for services under the terms of the above loan to the value of two hundred thousand pounds sterling.

2. I have to request you on behalf of the Government to open a Special Account in the name of the Government to be styled United Kingdom/Peru Loan No. 2, 1972 Account (hereinafter called "the Account").

3. Payments into the Account will be made from time to time by Her Majesty's Government in the United Kingdom of Great Britain and Northern Ireland on receipt of requests in the form shown in Annex C to the United Kingdom/Peru Loan Agreement No. 2, 1972 (a copy of which is attached hereto) and which you are hereby authorised to present on behalf of the Government. It is possible that, as a result of refunds becoming due from contractors, payments into the Account will also be made by the Government itself.

4. Payments from the Account are to be made only in respect of the amounts falling due under the contracts described in paragraph 1.B. (3) (a) and in respect of your commissions and charges as described in paragraph 1.B. (3) (b) of the above-mentioned Agreement and in the manner and subject to the conditions described in paragraph 1.B. (6) of that Agreement.

5. You are to send to the Government of the United Kingdom specimen signatures of the officers of the Crown Agents authorised to sign Requests for Drawing on behalf of the Government.

6. Your charges and commissions for acting as our agents in connection with this loan shall be chargeable to the Account.

7. A copy of this letter has been sent to the Government of the United Kingdom.

Yours faithfully,

ANNEX B

UNITED KINGDOM/PERU LOAN NO. 2, 1972

Acceptance No.

*CONTRACT CERTIFICATE**Particulars of Contract*

1. Date of Contract 2. Contract No.
3. Description of goods or services to be supplied to the purchaser

If a number of items are to be supplied, a detailed list should be appended to this certificate.

4. Total contract price payable by purchaser (state CIF, C & F or FOB)
£

If goods are to be supplied the following sections must be completed. If the contractor is exporting agent only, the information requested should be obtained from manufacturer.

5. Estimated % of the FOB value of the goods *not* originating in the United Kingdom, but purchased by the contractor directly from abroad, i.e., % of imported raw material or components used to manufacture.

- (a) % FOB value
- (b) Description of items and brief specifications

6. If any raw material or components used originated from abroad, e.g. copper, asbestos, cotton, wood pulp, etc., but have been purchased in the United Kingdom by the contractor for this contract, specify:

- (a) % FOB value
- (b) Description of items and brief specifications

If services are to be supplied, the following section should also be completed

7. State the estimated value of any work to be done or services performed in the purchaser's country by:

- (b) Your firm (site engineer's charges, etc.)
- (b) Local Contractor

8. Qualifying remarks as necessary in respect of paragraph 5, 6 or 7 above
-

9. I hereby declare that I am employed in the United Kingdom by the Contractor named below and have the authority to sign this certificate. I hereby undertake that in performance of the contract

no goods or services which are not of United Kingdom origin will be supplied by the Contractor other than those specified in paragraphs 5, 6, 7 and 8 above.

NOTE: For the purpose of this declaration the United Kingdom includes the Channel Islands and the Isle of Man.

Signed
Position held
Name and Address of Contractor
Date

Contractors should note that goods should not be manufactured until acceptance has been notified.

FOR OFFICIAL USE ONLY

Name or number of Project

Amount committed	Date of entry	Acceptance		Payments			
		Date	Initials	Date	Amount	PA No.	Initials
£							

ANNEX C

UNITED KINGDOM/PERU LOAN No. 2, 1972

D.F. NO

Please pay the sum of £ to the United Kingdom/Peru Loan No. 2, 1972 Account at the Crown Agents. This sum shall, on payment into the Account, constitute a drawing on the Loan.

The balance in hand is £

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For the Crown Agents acting on behalf of
the Government of the Republic of Peru

Funding approvedODA

ANNEX D

UNITED KINGDOM/PERU LOAN No. 2, 1972

PAYMENT CERTIFICATE

I hereby certify that:

(i) The payments referred to in the invoices listed below, which or copies of which accompany this payment certificate, fall due and are due to be made in respect of Contract No. dated between the contractor named below and [Purchaser] and are in accordance with the particulars of this contract notified in the contract certificate signed on behalf of the said contractor on

<i>Contractor's Invoice No.</i>	<i>Date</i>	<i>Amount £</i>	<i>Short description of goods, works and/or services</i>
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(ii) The amounts specified in paragraph (i) do not include any additional foreign content to that declared in paragraphs 5, 6 or 7 of the contract certificate.

(iii) I have the authority to sign this certificate on behalf of the Contractor named below.

Signed

Position held

For and on behalf of

Name and Address of Contractor

Date

NOTE: For the purpose of this declaration the United Kingdom includes the Channel Islands and the Isle of Man.

ANEXO D

PRÉSTAMO REINO UNIDO-PERÚ No. 2/1972

CERTIFICADO DE PAGO

Por la presente certifico que :

(i) Los pagos a que se refieren las facturas enumeradas abajo, las que, o cuyas copias acompañan este Certificado de Pago, son pagaderas y deben hacerse respecto del Contrato N° fechado el entre el Contratista abajo nombrado y [Comprador] y están de acuerdo con los detalles de este Contrato notificados en el Certificado de Contrato firmado a nombre de dicho Contratista, el

<i>Factura N° del contratista</i>	<i>Fecha</i>	<i>Suma £</i>	<i>Breve descripción de bienes, trabajos y/o servicios</i>
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(ii) Las sumas especificadas en el párrafo 1) no contienen ningún contenido extranjero adicional a lo declarado en los párrafos 5, 6 ó 7 del Certificado de Contrato.

(iii) Tengo autoridad para firmar este Certificado a nombre del Contratista abajo nombrado.

Firmado

Cargo desempeñado

Por y en nombre de

Nombre y dirección del Contratista

Fecha

NOTA: Para los efectos de esta declaración, el Reino Unido incluye las Islas del Canal de la Mancha y la Isla de Man.

[TRANSLATION¹ — TRADUCTION²]

*The Minister for Foreign Affairs of Peru
to Her Majesty's Ambassador at Lima*

Your Excellency,

Lima, 22 March 1972

I have the honour to acknowledge receipt of Your Excellency's Note No. 29, of today's date, which reads as follows:

[See note I]

In reply, I have the honour to inform Your Excellency that the foregoing is acceptable to the Government of Peru and that Your Excellency's Note and this reply shall constitute

¹ Translation supplied by the Government of the United Kingdom of Great Britain and Northern Ireland.

² Traduction fournie par le Gouvernement du Royaume-Uni de Grande-Bretagne et d'Irlande du Nord.

an Agreement between the two Governments, which shall enter into force on today's date and shall be known as the United Kingdom/Peru Loan Agreement No. 2, 1972.

I avail myself of this opportunity to express to Your Excellency the assurance of my highest consideration.

M. A. DE LA FLOR VALLE
