

**No. 17897**

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**SWITZERLAND  
and  
PERU**

**Consolidation Agreement. Signed at Lima on 23 March 1979**

*Authentic texts: French and Spanish.*

*Registered by Switzerland on 13 July 1979.*

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**SUISSE  
et  
PÉROU**

**Accord de consolidation. Signé à Lima le 23 mars 1979**

*Textes authentiques : français et espagnol.*

*Enregistré par la Suisse le 13 juillet 1979.*

## [TRANSLATION — TRADUCTION]

CONSOLIDATION AGREEMENT<sup>1</sup> BETWEEN THE GOVERNMENT OF THE SWISS CONFEDERATION AND THE GOVERNMENT OF THE REPUBLIC OF PERU

The Government of the Swiss Confederation and the Government of the Republic of Peru,

Acting in accordance with the recommendations adopted at the meeting between the representatives of the Government of Peru and the representatives of the Governments of the European creditor countries, of Canada, of the United States of America and of Japan, held in Paris on 2 and 3 November 1978,

Have designated as their representatives:

The Government of the Swiss Confederation: Mr. Henry Béglé,

The Government of the Republic of Peru: Mr. Fernando Reus Salinas, who also represents the General Directorate of Public Credit, Ministry of Economy and Finance (hereinafter referred to as the General Directorate of Public Credit), responsible for the implementation of this Agreement,

And have agreed as follows:

*Article 1.* 1. The provisions of this Agreement shall cover the Peruvian payments of principal that fell due between 1 January 1979 and 31 December 1980 in respect of commercial credits guaranteed by the Swiss Confederation, which were the subject of a contract concluded prior to 1 January 1978 and providing for payments spread over a period of more than one year.

2. For the payments falling due in 1980, the provisions of this Agreement shall apply only after an understanding is reached between the Governments of the Swiss Confederation and the Republic of Peru, confirming that the Agreement is also applicable for this year, in accordance with section 4,B,2 of the Approved Minutes of the Paris Club of 3 November 1978. This understanding shall be reached no later than 31 December 1979.

3. The payment of the principal and interest for the years 1979 and 1980 shall be made in accordance with the terms of contracts agreed between Swiss creditors and Peruvian debtors. Payments which may fall due before the date of signature of this Agreement and which still have not been transferred shall be made immediately after its entry into force.

*Article 2.* The Swiss Government shall provide the General Directorate of Public Credit, for the payments designated in article 1, paragraph 1, of this Agreement, with a credit amounting to 90 per cent of the value of the payments made to Swiss creditors.

Such credits shall not exceed the sum of 35 million Swiss francs.

<sup>1</sup> Came into force on 23 March 1979, the date when the Parties notified each other of its approval in conformity with their internal law, in accordance with article 9.

*Article 3.* The Peruvian Government undertakes to guarantee the free transferability of payments relative to the commercial credits mentioned in article 1 of this Agreement.

*Article 4.* The Swiss Government undertakes to make freely available to the General Directorate of Public Credit the credits provided for in article 2 of this Agreement at the rate that payments are made to Swiss creditors. For this purpose, an account designated "P" shall be opened in the name of the General Directorate of Public Credit at the National Bank of Switzerland in Zurich.

*Article 5.* The General Directorate of Public Credit undertakes to pay interest at the rate of 5.25 per cent on the amount of capital in the said "P" credit account, from the day it is credited. Such interest shall be payable on 30 June and 31 December of each year, commencing on 30 June 1979.

*Article 6.* The General Directorate of Public Credit undertakes to repay the credits granted by the Swiss Government under article 2 of this Agreement in the following way:

- The credit for the year 1979: in 10 equal, consecutive, six-monthly payments, the first payment being made on 1 January 1982;
- The credit for the year 1980: in 8 equal, consecutive, six-monthly payments, the first payment being made on 1 January 1983.

*Article 7.* Payments of interest and capital shall be made in free Swiss francs to the National Bank of Switzerland, Zurich, acting for the account of the Swiss Confederation.

*Article 8.* The Government of Peru undertakes:

- (a) To grant Switzerland treatment no less favourable than that which it may grant to any other creditor country in respect of the consolidation of debts with comparable maturities;
- (b) To notify the Swiss Government of the terms of any debt consolidation agreement mentioned in paragraph (a) that it may conclude.

*Article 9.* This Agreement shall enter into force as soon as the two Parties have notified each other that it has been approved in accordance with their internal law.

IN WITNESS WHEREOF, the undersigned plenipotentiaries, duly authorized, have signed this Agreement.

DONE at Lima, on 23 March 1979, in two copies in the French and Spanish languages, both texts being equally authentic.

For the Government  
of the Swiss Confederation:

[Signed]

HENRY BÉGLÉ  
Ambassador of Switzerland

For the Government  
of the Republic of Peru:

[Signed]

FERNANDO REUS SALINAS  
Director General of Public Credit  
Ministry of Economy and Finance