

No. 18552

NEW ZEALAND
and
FIJI

Exchange of letters constituting an agreement concerning a loan made to the Government of Fiji by the Government of New Zealand to assist with the financing of the Suva/Nadi road reconstruction. Suva, 26 November 1976

Authentic text: English.

Registered by New Zealand on 17 April 1980.

NOUVELLE-ZÉLANDE
et
FIDJI

Échange de lettres constituant un accord relatif à un prêt consenti par la Nouvelle-Zélande au Gouvernement de Fidji pour l'aider à financer la reconstruction de la route Suva/Nadi. Suva, 26 novembre 1976

Texte authentique : anglais.

Enregistré par la Nouvelle-Zélande le 17 avril 1980.

EXCHANGE OF LETTERS CONSTITUTING AN AGREEMENT¹ BETWEEN THE GOVERNMENT OF NEW ZEALAND AND THE GOVERNMENT OF FIJI CONCERNING A LOAN MADE TO THE GOVERNMENT OF FIJI BY THE GOVERNMENT OF NEW ZEALAND TO ASSIST WITH THE FINANCING OF THE SUVA/NADI ROAD RECONSTRUCTION

I

His Excellency Mr. B. H. Brooks, Acting High Commissioner for New Zealand in Fiji, to the Honourable C. A. Stinson, O. B. E., Minister of Finance in Fiji

OFFICE OF THE HIGH COMMISSIONER FOR NEW ZEALAND

Suva, 26 November 1976

My dear Minister,

I have the honour to refer to the discussions that have taken place between the representatives of our respective Governments concerning the offer of the Government of New Zealand to assist in financing the foreign exchange costs arising from the reconstruction of the road between Nadi and Suva.

I now have the honour on behalf of the Government of New Zealand to propose that this assistance be in the form of a loan to the Government of Fiji made in accordance with the following terms:

(1) The Government of New Zealand shall make available to the Government of Fiji a loan, which shall be a charge upon the public revenues of Fiji, of the sum of one million, seven hundred and twenty thousand New Zealand dollars (NZ\$1,720,000) in New Zealand currency to be applied by the Government of Fiji towards financing the foreign exchange costs arising from the reconstruction of the road between Nadi and Suva. The term of the loan shall be for 25 years commencing on the second day of December 1976.

(2) The Government of Fiji shall pay to the Government of New Zealand in New Zealand currency interest on the loan at the rate of 5 per cent per annum which shall accrue with effect from the date of commencement of the loan.

(3) The Government of Fiji shall pay to the Government of New Zealand in New Zealand currency on the first day of December in each year for 5 years from the date of the commencement of the loan equal annual instalments of eighty-six thousand New Zealand dollars (NZ\$86,000), being payments of interest due to that date in respect of the total sum available under the loan; thereafter, on the first day of December in each year during the ensuing period of 20 years, the Government of Fiji shall pay to the Government of New Zealand in New Zealand currency equal annual instalments of one hundred and thirty-eight thousand and seventeen New Zealand dollars twenty-five cents (NZ\$138,017.25) being payments in respect of principal and of interest calculated on the reducing balance of the loan.

(4) Notwithstanding the foregoing provisions, the Government of Fiji shall be free at any time to repay to the Government of New Zealand in New Zealand currency the whole of the loan that is then outstanding, together with accrued interest thereon calculated up to the date of repayment.

¹ Came into force on 26 November 1976, the date of the letter in reply, in accordance with the provisions of the said letters.

(5) The Government of Fiji shall apply the monies received pursuant to this Agreement for meeting foreign exchange costs resulting from the reconstruction of the road between Nadi and Suva.

(6) Representatives of the Government of New Zealand and the Government of Fiji will settle to the satisfaction of both Governments such further terms and arrangements as may be necessary to give effect to this Agreement.

If the foregoing provisions are acceptable to the Government of Fiji, I have the honour to suggest that the present letter and your reply in similar terms should constitute an agreement between our two Governments which shall enter into force on the date of your reply and shall remain in force for the duration of the loan.

Yours sincerely,

B. H. BROOKS
Acting High Commissioner

II

*The Honourable C. A. Stinson, Minister of Finance in Fiji, to His Excellency
Mr. B. H. Brooks, Acting High Commissioner for New Zealand in Fiji*

OFFICE OF THE MINISTER OF FINANCE

Suva, Fiji, 26 November 1976

Your Excellency,

I refer to your letter of today's date which reads as follows:

[See note I]

I have the honour to inform you that the Government of Fiji accepts the foregoing provisions and regards your letter and my present reply as constituting an agreement between our two Governments.

Yours sincerely,

C. A. STINSON
Minister of Finance