

Embajada del Japón

Lima

Nº 0-1A/72

March 23, 1979.

Excellency,

With reference to the recent negotiations between the representatives of the Government of Japan and of the Government of the Republic of Peru that were held pursuant to the understanding reached during the consultations between the representatives of the Government of the Republic of Peru and of the Governments of the creditor countries concerned held in Paris on 2 and 3 November, 1978 concerning debt relief measures in respect of debts owed by the governmental corporations of the Republic of Peru, I have the honour to confirm the following understanding reached in the course of the said negotiations:

1. (a) The present arrangements shall apply to the amount equivalent to ninety per cent (90%) of the principal of the debts originating from the financing made by the organizations supervised by the Government of Japan, and falling due between 1 January, 1979 and 31 December, 1979, both dates inclusive, under the Contracts concerning Loans and Crude Oil and Refined Products Supply concluded 28 August, 1974 (hereinafter referred to as "the Original Contracts") between *Petróleos del Perú* and *Corporación Financiera de Desarrollo* which are the governmental corporations of the Republic of Peru (hereinafter referred to as "the Debtors") on the one hand and Japan National Oil

A.N.
His Excellency
Mr. Carlos García Bedoya
Minister of Foreign Affairs
Government of the Republic of Peru

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Corporation and Japan Peru Oil Co., Ltd., resident in Japan (hereinafter referred to as "the Creditors") on the other.

(b) The amount referred to in sub-paragraph (a) above to which the present arrangements shall apply is eight billion seven hundred and seventy-seven million nine hundred and fifty-one thousand four hundred and forty yen (Y8,777,951,440).

2. (a) The Government of the Republic of Peru shall notify the Creditors of the payment scheme as set out in sub-paragraph (d) below (hereinafter referred to as "the Payment Scheme") in accordance with which the Debtors will be able to pay the amount referred to in paragraph 1(b) in order to settle the debts concerned.

(b) The Government of the Republic of Peru shall ensure that the Debtors pay the amount referred to in paragraph 1(b) to the Creditors pursuant to the method of payment set forth in the Original Contracts and in accordance with the Payment Scheme.

(c) The Government of Japan will take possible measures, within the scope of the relevant laws and regulations in force in Japan, to facilitate the settlement of the debts concerned through payments to be made in accordance with the Payment Scheme.

(d) The amount referred to in paragraph 1(b) will be paid as from 25 March 1982 in ten (10) equal semi-annual installments.

A.N.

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3. The rates of interest to be applied for the principal as from the original due dates will be six per cent (6%) per annum for the loan contract I of the original contracts and six and a half per cent (6.5%) per annum for the loan contract II of the original contracts. Such interests shall be exempted from all taxes and duties of the Republic of Peru. The Government of the Republic of Peru shall ensure that the Debtors pay to the Creditors such interests pursuant to the same method of payment as that concerning the principal set forth in the Original Contracts. Such interests will be paid on 25 March and 25 September of each year in respect to the amount of any of the debts concerned due to the extent that it has not been settled, provided that the first payment of such interests will be made on 25 September, 1979.

4. Notwithstanding the provisions of paragraphs 2 and 3 above, if the Debtors fail to take such measures in respect of the debts concerned as are required in the Republic of Peru, the Government of the Republic of Peru shall facilitate, within the scope of the relevant laws and regulations in force in the Republic of Peru, the settlement of the debts between the Debtors and the Creditors in accordance with the Original Contracts.

A.N. 5. The Government of the Republic of Peru hereby confirms that the terms and conditions not specif-

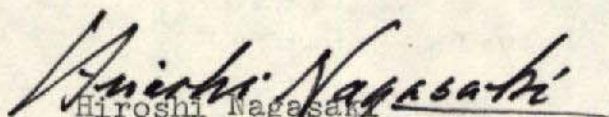
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ically referred to in this Note of the Original Contracts shall remain unchanged, unless otherwise agreed upon by the parties to the Original Contracts.

6. If the Government of the Republic of Peru accords to any country other than Japan terms and conditions more favourable than those referred to in paragraph 2(d) with regard to debt relief measures, the Government of the Republic of Peru shall forthwith accord to the Creditors the terms and conditions not less favourable than those accorded to any country.

I should be grateful if Your Excellency would confirm the foregoing understanding on behalf of the Government of the Republic of Peru.

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


Hiroshi Nagasaki
Ambassador of Japan

6-18/31

23 MAR. 1979

B. 1276

Lima, 23 de marzo de 1979.

Señor Embajador:

Tengo el honor de acusar recibo de la atenta Nota de Vuestra Excelencia, con fecha del día de hoy, cuyo texto es el siguiente:

"Con referencia a las recientes negociaciones entre los representantes del Gobierno de Japón y del Gobierno de la República del Perú, los cua les se efectuaron de acuerdo al entendimiento alcanzado durante las con sultas entre los representantes del Gobierno de la República del Perú y del Gobierno de los países acreedores participantes, realizadas en Pa ri s el 2 y 3 de noviembre de 1978, concerniente a las medidas de alivio de deuda respecto a las deudas contraídas por las Corporaciones Gubernamentales de la República del Perú, tengo el honor de confirmar el si guiente Acuerdo alcanzado en el curso de las referidas negociaciones:

1. (a) El presente acuerdo se aplicará a la suma equivalente al 90% del principal de las deudas originadas con el financiamiento efectuado por las organizaciones supervisadas por el Gobierno de Japón y con vencimiento entre el 1.º de enero de 1979 y 31 de diciembre de 1979, incluidas ambas fechas bajo los Contratos relacionados a los Préstamos y al Suministro de Petróleo crudo y Productos Refinados concluidos el 28 de agosto de 1974 (de aquí en adelante referido como los "Contratos Originales") entre, Petróleos del Perú y la Corporación Financiera de Desarrollo, las cuales son Corporaciones Gubernamentales de la República del Perú (de aquí en adelante llamados "los Deudores") y por otra parte Japón National Oil Corporation y Japan Perú Oil Co. Ltd., residentes en el Japón (de aquí en adelante llamados "los Acreedores").
- (b) La suma a que se hace referencia en el sub-párrafo (a) anterior, al cual el presente Acuerdo se aplicará es de Ocho mil setecientos setentisiete millones novecientos cincuenta mil cuatrocientos cuarenta Yenes (Y 8,777'951,440)
2. (a) El Gobierno de la República del Perú notificará a los Acreedores del esquema de pago tal como se indica en el sub-párrafo (d) posterior (de aquí en adelante llamado "el Esquema de Pagos"), de

Al Excelentísimo señor
HIROSHI NAGASAKI
Embajador del Japón
Ciudad.-

acuerdo con el cual los Deudores deberán pagar la suma referida en el párrafo 1 (b) con la finalidad de saldar las deudas involucradas.

- (b) El Gobierno de la República del Perú asegurará que los Deudores pagarán la suma referida en el párrafo 1 (b) a los Acreedores, de acuerdo con el método de pagos establecido en los Contratos Originales y en concordancia con el Esquema de Pagos.
 - (c) El Gobierno de Japón tomará las medidas posibles dentro del alcance de sus leyes pertinentes y regulaciones vigentes en el Japón, para facilitar el arreglo de las deudas concernientes a través de los pagos a ser hechos de conformidad con el Esquema de Pagos.
 - (d) La suma a que se hace referencia en el párrafo 1 (b) será pagada a partir del 25 de marzo de 1982 en 10 cuotas semestrales e iguales.
3. Las tasas de interés a ser aplicadas al principal desde las fechas de vencimiento originales, será de seis por ciento (6%) por año para el Contrato de Préstamo No. 1 de los Contratos Originales y del seis y medio por ciento (6.5%) por año para el Contrato de Préstamo No. 2 de los Contratos Originales. Tales intereses serán exentos de todos los impuestos y cargas de la República del Perú. El Gobierno de la República del Perú asegurará que los Deudores pagarán a los Acreedores tales intereses de acuerdo al mismo método de pago como el concerniente al principal establecido en los Contratos Originales. Estos intereses serán pagados el 25 de marzo y 25 de setiembre de cada año en relación al monto de cualquiera de las deudas referidas y vencidas en la medida en que esta no haya sido cancelada, a condición de que el 1er. pago de estos intereses sea hecho el 25 de Febrero de 1979.
4. No obstante lo señalado en los párrafos 2 y 3 anteriores, si los deudores no pudieran cumplir con adoptar tales medidas en relación a las deudas concernientes como son requeridas en la República del Perú, el Gobierno de la República del Perú facilitará, dentro del alcance de sus Leyes pertinentes y regulaciones vigentes, el arreglo de las deudas entre los Deudores y Acreedores de acuerdo con los Contratos Originales.
5. El Gobierno de la República del Perú por la presente confirma que los términos y condiciones de los Contratos Originales no mencionados específicamente en esta Nota, permanecerán sin cambio, a menos que los participantes de los Contratos Originales lo acuerden en otra forma.

6. Si el Gobierno de la República del Perú acuerda para cualquier otro país diferente del Japón, términos y condiciones más favorables que aquellas a que se hace referencia en el párrafo 2 (d) en relación a las medidas de alivio de deuda, el Gobierno de la República del Perú acordará a los Acreedores, términos y condiciones no menos favorables que aquellas acordadas para cualquier otro país.

Le estará muy agradecido si Su Excelencia confirmase el presente entendimiento en representación del Gobierno de la República del Perú".

Al respecto, tengo el honor de comunicarle la aceptación del Gobierno de la República Peruana, de los términos contenidos en la Nota de Vuestra Excelencia.

Hago propicia la oportunidad para renovar a Su Excelencia las seguridades de mi más alta consideración.

Carlos García Bedoya
Ministro de Relaciones Exteriores del
Perú

Lima, March 23, 1979 .

Excellency, 6-18/31

I have the honour to acknowledge the receipt of Your Excellency's Note of today's date, which reads as follows :

"With reference to the recent negotiations between the representatives of the Government of Japan and of the Government of the Republic of Peru that were held pursuant to the understanding reached during the consultations between the representatives of the Government of the Republic of Peru and of the Governments of the creditor countries concerned held in Paris on 2 and 3 November, 1978 concerning debt relief measures in respect of debts owed by the governmental corporations of the Republic of Peru, I have the honour to confirm the following understanding reached in the course of the said negotiations:

1.- (a) The present arrangements shall apply to the amount equivalent to ninety per cent (90%) of the principal of the debts originating from the financing made by the organizations supervised by the Government of Japan, and falling due between 1 January, 1979 and 31 December, 1979, both dates inclusive, under the Contracts concerning Loans and Crude Oil and Refined Products Supply concluded 28 August, 1974 (hereinafter referred to as "the Original Contracts") between Petróleos del Perú and Corporación Financiera de Desarrollo which are the governmental corporations of the Republic of Peru (hereinafter referred to as "the Debtors") on the one hand and Japan National Oil Corporation and Japan Peru Oil Co., Ltd., resident in Japan (hereinafter referred to as "the Creditors") on the other.

(b) The amount referred to in sub-paragraph (a) above to which the present arrangements shall apply is eight billion seven hundred and seventy-seven million nine hundred and fifty-one thousand four hundred and forty yen (Y8,777,951,440).

2.- (a) The Government of the Republic of Peru shall notify the creditors of the payment scheme as set out in sub-paragraph (d) below (hereinafter referred to as "the Payment Scheme") in accordance with which the Debtors will be able to pay the amount referred to in paragraph 1 (b) in order to settle the debts concerned.

(b) The Government of the Republic of Peru shall ensure that the Debtors pay the amount referred to in paragraph 1 (b) to the Creditors pursuant to the method of payment set forth in the Original Contracts and in

His Excellency
HIROSHI NAGASAKI
Ambassador of Japan
Ciudad .-

accordance with the Payment Scheme.

(c) The Government of Japan will take possible measures, within the scope of the relevant laws and regulations in force in Japan, to facilitate the settlement of the debts concerned through payments to be made in accordance with the Payment Scheme.

(d) The amount referred to in paragraph 1 (b) will be paid as - from 25 March 1982 in ten (10) equal semi-annual installments.

3.- The rates of interest to be applied for the principal as from the original due dates will be six percent (6%) per annum for the loan contract I of the original contracts and six and a half per cent (6.5%) per annum for the loan contract II of the original contracts. Such interests shall be exempted from all - taxes and duties of the Republic of Peru. The Government of the Republic of Peru shall ensure that the Debtors pay to the Creditors such interests pursuant to the - same method of payment as that concerning the principal set forth in the Original Contracts. Such interests will be paid on 25 March and 25 September of each year in respect to the amount of any of the debts concerned due to the extent - that it has not been settled, provided that the first payment of such interests will be made on 25 September, 1979.

4.- Notwithstanding the provisions of paragraphs 2 and 3 above, if the Debtors fail to take such measures in respect of the debts concerned as are required in the Republic of Peru, the Government of the Republic of Peru shall facilitate, - within the scope of the relevant laws and regulations in force in the Republic of Peru, the settlement of the debts between the Debtors and the Creditors in accordance with the Original Contracts.

5.- The Government of the Republic of Peru hereby confirms that the - terms and conditions not specifically referred to in this Note of the Original Contracts shall remain unchanged, unless otherwise agreed upon by the parties to the - Original Contracts.

6.- If the Government of the Republic of Peru accords to any country other than Japan terms and conditions more favourable than those referred to in - paragraph 2 (d) with regard to debt relief measures, the Government of the Republic of Peru shall forthwith accord to the Creditors the terms and conditions not - less favourable than those accorded to any country.

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I should be grateful if Your Excellency would confirm the foregoing understanding on behalf of the Government of the Republic of Peru".

I have further the honour to confirm on behalf of the Government of the Republic of Peru the understanding set forth in Your Excellency's Note.

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

Carlos García Bedoya
Ministro de Relaciones Exteriores del Perú