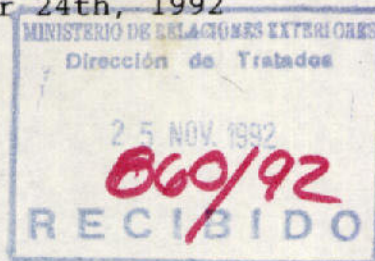


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Embajada del Japón  
Lima

Lima, November 24th, 1992

Nº O-1A/321/92



Excellency,

I have the honour to confirm the following understanding recently reached between the representatives of the Government of Japan and of the Government of the Republic of Peru concerning a Japanese loan to be extended under the Financial Recycling Scheme with a view to strengthening the friendly relations and economic cooperation between the two countries:

1. A loan in Japanese yen up to the amount of twelve billion six hundred and ninety million yen (¥12,690,000,000) (hereinafter referred to as "the Loan") will be extended to the Government of the Republic of Peru by the Overseas Economic Cooperation Fund (hereinafter referred to as "the Fund") in accordance with the relevant laws and regulations of Japan to support the Financial Sector Adjustment Program (hereinafter referred to as "the Program").

- 2. (1) The Loan will be made available by a loan agreement to be concluded between the Government of the Republic of Peru and the Fund. The terms and conditions of the Loan as well as the procedures for its utilization will be governed by the said loan agreement which will contain, inter alia, the following principles:
  - (a) The repayment period will be twenty (20) years after the grace period of ten (10) years.
  - (b) The rate of interest will be three (3) per cent per annum.
  - (c) The disbursement period will be two (2) years from the date of coming into force of the said loan agreement.

*A. L.*

To His Excellency  
Dr. Oscar de la Puente Raygada  
Chairman of Ministers' Council and,  
Minister of Foreign Affairs,  
Ciudad.-

Ministerio de Relaciones Exteriores  
Oficina de Trámite Documentario  
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Observaciones

(2) The disbursement period mentioned in sub-paragraph (1)(c) above may be extended with the consent of the authorities concerned of the two Governments.

3. (1) The Loan will be made available to cover payments already made and/or to be made to suppliers of eligible source countries by importers in the Republic of Peru under such contracts as have been or may be entered into between them for purchases of products required during the implementation of the Program and for purchases of services incidental to the purchases of those products, provided that such purchases are made in such eligible source countries for products produced in and services supplied from those countries.

(2) The scope of eligible source countries mentioned in sub-paragraph (1) above will be agreed upon between the authorities concerned of the two Governments.

4. (1) The Government of the Republic of Peru will take measures to have the equivalent in Peruvian currency of the amount of yen disbursements of the Loan transferred by the Banco de la Nación to the counterpart fund account opened in the name of the Government of the Republic of Peru in the Banco de la Nación. The amount of Peruvian currency thus transferred shall be used for the economic and social development projects of the Government of the Republic of Peru.

(2) The Government of the Republic of Peru will, upon request, furnish the Government of Japan with reports on the use of the counterpart fund mentioned in sub-paragraph (1) above.

5. The Government of the Republic of Peru will ensure that products and/or services mentioned in sub-paragraph (1) of paragraph 3 are procured in accordance with the guidelines for procurement of the Fund, which set forth, inter alia, the procedures of international tendering to be followed except where such procedures are inapplicable or inappropriate.

*Acto*

6. With regard to the shipping and marine insurance of products purchased under the Loan, the Government of the Republic of Peru will refrain from imposing any restrictions that may hinder fair and free competition between the shipping and marine insurance companies.

7. The Government of the Republic of Peru will exempt the Fund from all fiscal levies or taxes imposed in the Republic of Peru on and/or in connection with the Loan as well as interest accruing therefrom.

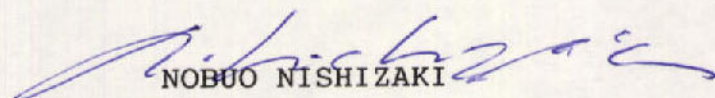
8. The Government of the Republic of Peru will take necessary measures to ensure that the Loan be used properly and exclusively for purchases of products and/or services mentioned in sub-paragraph (1) of paragraph 3.

9. The Government of the Republic of Peru will, upon request, furnish the Government of Japan and the Fund with information and data concerning the progress of the implementation of the Program.

10. The two Governments will consult with each other in respect of any matter that may arise from or in connection with the foregoing understanding.

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.

  
NOBUO NISHIZAKI  
Ambassador of Japan

Record of Discussions

In connection with the Exchange of Notes dated November 24th, 1992 (hereinafter referred to as "the Exchange of Notes") concerning a Japanese loan to be extended under the Financial Recycling Scheme with a view to strengthening the friendly relations and economic cooperation between the two countries (hereinafter referred to as "the Loan"), the representatives of the Japanese Delegation and of the Peruvian Delegation wish to record the following:

1. With reference to sub-paragraph (1) of paragraph 3 of the Exchange of Notes, the representative of the Japanese Delegation stated that "suppliers of eligible source countries" mean nationals of eligible source countries or juridical persons incorporated and registered in the said countries, having their appropriate facilities for producing or providing the products and/or services in those countries, and actually conducting their business there.

2. With reference to sub-paragraph (1) of paragraph 3 of the Exchange of Notes, the representative of the Japanese Delegation stated that the Loan may be made available to cover payments already made and/or to be made between September 24, 1991 and the previous day of coming into force of the loan agreement mentioned in sub-paragraph (1) of paragraph 2 of the Exchange of Notes, both dates inclusive, as well as payments to be made on and after the day of coming into force of the said loan agreement, for purchases of the products and/or services referred to in sub-paragraph (1) of paragraph 3 of the Exchange of Notes, except the products the purchase of which is prohibited under the said loan agreement.

3. With regard to the Loan, the representative of the Japanese Delegation stated that the Loan would be extended, taking into account the current economic difficulties faced by the Government of the Republic of Peru, with a view to encouraging the Government of the Republic of Peru to continue the implementation of the current economic

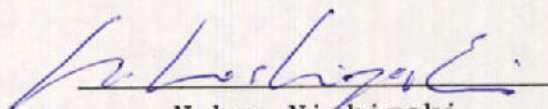


policies of the Government of the Republic of Peru under the Financial Sector Adjustment Program which have been endorsed by the Inter-American Development Bank (IDB).

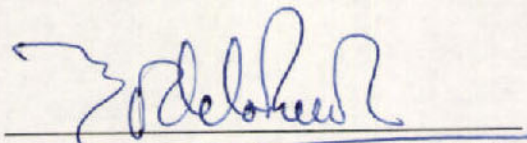
The representative of the Japanese Delegation further stated that the Loan could be characterized also as the parallel co-financing with the Financial Sector Loan (FSL) extended by the IDB.

4. With reference to sub-paragraph (1) of paragraph 3 of the Exchange of Notes, the representative of the Japanese Delegation stated that the disbursement will be made subject to confirmation that the Government of the Republic of Peru continues to observe the conditions agreed with the IDB under the FSL. Thus the disbursement of the Loan will be executed in three tranches (the amount of each disbursement for the first, the second and the third tranche is six billion three hundred and forty-five million yen (¥6,345,000,000), three billion one hundred and seventy two million five hundred thousand yen (¥ 3,172,500,000) and tree billion one hundred and seventy two million five hundred thousand yen (¥3,172,500,000), respectively), upon the condition of each disbursement of the first, the second and the third tranche of the FSL by the IDB.

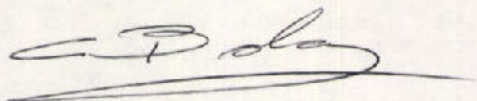
5. The representative of the Peruvian Delegation stated that his Delegation had no objection to the statements mentioned in 1,2,3 and 4 above.



Nobuo Nishizaki  
Ambassador of Japan



Oscar De La Puente Raygada  
Chairman of  
Ministers' Council and,  
Minister of Foreign Affairs



TRADUCCION  
(No Oficial)  
( )

(Nota Japonesa)

Excelencia,

Tengo el honor de confirmar el siguiente entendimiento recientemente alcanzado entre los representantes del Gobierno del Japón y del Gobierno de la República del Perú, concerniente al Préstamo Japonés a ser extendido bajo el Esquema de Reciclaje Financiero, con miras a fortalecer las relaciones de amistad y de cooperación económica entre los dos países:

1. Un Préstamo en yenes japoneses hasta por la suma de doce mil seis cientos noventa millones de yenes (¥12,690,000,000) (en adelante se le denominará "el Préstamo") se otorgará al Gobierno de la República del Perú por el Fondo de Cooperación Económica a Ultramar (en adelante se le denominará "el Fondo"), de acuerdo con las leyes y reglamentos pertinentes del Japón, para apoyar el Programa de Ajuste del Sector Financiero (en adelante se le denominará "el Programa").
2. (1) El Préstamo se hará disponible en virtud de un acuerdo de préstamo a ser suscrito entre el Gobierno de la República del Perú y el Fondo. Los términos y condiciones del Préstamo así como los procedimientos para su utilización serán regidos por dicho acuerdo de préstamo, que contendrá, inter alia, los siguientes principios:
  - (a) El período de amortización será de veinte (20) años después de diez (10) años de gracia.
  - (b) La tasa de interés será de tres por ciento (3%) por año
  - (c) El período de desembolso será de dos (2) años desde la fecha en que entre en vigor el citado acuerdo de préstamo.
- (2) El período de desembolso arriba mencionado en (1)(c) podrá ser prorrogado por acuerdo de las autoridades competentes de los dos Gobiernos.

3. (1) El Préstamo podrá disponerse para cubrir pagos ya realizados y/o por realizar de los importadores en la República del Perú a los proveedores de países de origen elegibles, bajo contratos que hayan sido o vayan a ser acordados entre ellos para la adquisición de productos requeridos durante la implementación del Programa y para la adquisición de los servicios incidentales a estos productos, a condición de que estos productos sean producidos en los países de origen elegibles y los servicios proporcionados desde esos países.

(2) La determinación de los países de origen elegibles arriba mencionados en (1) será acordada entre las autoridades pertinentes de los dos Gobiernos.

4. (1) El Gobierno de la República del Perú tomará las medidas necesarias para asegurar que un monto equivalente al desembolso en yenes japoneses del Préstamo transferido, sea depositado en moneda peruana en una cuenta a ser abierta a su nombre en el Banco de la Nación, generando un fondo de contravalor. El dinero así depositado deberá ser utilizado para proyectos de desarrollo económico y social en la República del Perú.

(2) El Gobierno de la República del Perú presentará al Gobierno del Japón, cuando se lo solicite, informes sobre el uso del fondo de contravalor arriba mencionado.

5. El Gobierno de la República del Perú asegurará que los productos y/o los servicios arriba mencionados en 3.(1) sean conseguidos de conformidad con las regulaciones del Fondo, que describen, inter alia, el procedimiento de la licitación internacional a celebrarse, excepto en el caso de que tal procedimiento sea inaplicable o inapropiado.

6. Con respecto al transporte y seguro marítimos de los productos adquiridos con el Préstamo, el Gobierno de la República del Perú se abstendrá de imponer cualquier restricción que pueda impedir la justa y libre competencia de las compañías de transporte y seguro marítimos.

7. El Gobierno de la República del Perú exonerará al Fondo, de toda clase de cargas fiscales e impuestos que se graven en la República del Perú sobre y/o en conexión con el Préstamo así como del interés allí devengado.

8. El Gobierno de la República del Perú tomará las medidas necesarias para asegurar que el Préstamo sea utilizado apropiada y exclusivamente para la adquisición de los productos y/o servicios mencionados en 3.(1).

9. El Gobierno de la República del Perú presentará, cuando se le solicite, al Gobierno del Japón y al Fondo la Información y los datos concernientes al progreso de la implementación del Programa.

10. Los dos Gobiernos se consultarán mutuamente sobre cualquier asunto que pueda surgir de o en conexión con este entendimiento.

Le estaré muy agradecido si se me confirmara el entendimiento arriba mencionado por parte del Gobierno de la República del Perú.

Aprovecho la oportunidad para renovar a Vuestra Excelencia las seguridades de mi más alta y distinguida consideración.

NOBUO NISHIZAKI  
Embajador del Japón



## ACTA DE DISCUSIONES

En relación con el Canje de Notas de fecha            de            de 1992 (en adelante se le denominará "el Canje de Notas") concerniente al préstamo japonés a ser otorgado bajo el Esquema de Reciclaje Financiero con miras a fortalecer las relaciones de amistad y de cooperación económica entre los dos países (en adelante se le denominará "el Préstamo"), los representantes de la Delegación Japonesa y de la Delegación Peruana desean registrar lo siguiente:

1. Con referencia al párrafo 3.(1) del Canje de Notas, el representante de la Delegación Japonesa ha establecido que "proveedores de países de origen elegibles" significa nacionales de países de origen elegibles o personas jurídicas incorporadas y registradas en dichos países, que cuentan con apropiadas facilidades para producir o proveer los productos y/o servicios en aquellos países, y que actualmente conducen sus negocios allí.
2. Con respecto al párrafo 3.(1) del Canje de Notas, el representante de la Delegación Japonesa ha establecido que el Préstamo podrá disponerse para cubrir pagos ya realizados o por realizar entre el 24 de setiembre de 1991 y el día anterior al día en que entre en vigor el acuerdo de préstamo mencionado en el párrafo 2 (1) del Canje de Notas, ambas fechas incluidas, así como pagos a ser hechos en y después del día en que entre en vigor dicho acuerdo de préstamo, para adquisiciones de productos y/o servicios referidos en el párrafo 3.(1) del Canje de Notas, excepto los productos cuya adquisición está prohibida por dicho acuerdo de préstamo.
3. Con respecto al Préstamo, el representante de la Delegación Japonesa ha establecido que el Préstamo será otorgado, tomando en consideración las actuales dificultades económicas que enfrenta el Gobierno de la República del Perú, con miras a alentar al Gobierno de la República del Perú a continuar la implementación de su actual política económica bajo el Programa de Ajuste del Sector Financiero que ha sido apoyado por el Banco Interamericano de Desarrollo (BID).

apoyado por el Banco Interamericano de Desarrollo (BID). El representante de la Delegación Japonesa ha establecido, además, que el Préstamo puede ser caracterizado también como el co-financiamiento paralelo con el préstamo al sector Financiero (PSF) otorgado por el BID.

4. Referente al párrafo 3.(1) del Canje de Notas, el representante de la Delegación Japonesa ha dejado establecido que el desembolso estará sujeto a la confirmación que el Gobierno de la República del Perú continúa observando las condiciones establecidas por el BID bajo el PSF. De este modo el desembolso del Préstamo será ejecutado en tres tramos (los montos de cada desembolso serán: en el primer tramo seis mil trescientos cuarenta y cinco millones de yenes (¥6,345,000,000), en el segundo tramo y tercer tramo tres mil ciento setenta y dos millones quinientos mil yenes en cada uno (¥3,172,500,000)), bajo las condiciones de cada desembolso del primer, segundo y tercer tramo del PSF del BID.

5. El representante de la Delegación Peruana deja asentado que su Delegación no tiene objeción con lo establecido en los párrafos 1, 2, 3 y 4 arriba mencionados

Lima, November 24th 1992

Excellency,

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

"I have the honour to confirm the following understanding recently reached between the representatives of the Government of Japan and of the Government of the Republic of Peru concerning a Japanese loan to be extended under the Financial Recycling Scheme with a view to strengthening the friendly relations and economic cooperation between the two countries:

1. A loan in Japanese yen up to the amount of twelve billion six hundred and ninety million yen (¥12,690,000,000) (hereinafter referred to as "the Loan") will be extended to the Government of the Republic of Peru by the Overseas Economic Cooperation Fund (hereinafter referred to as "the Fund") in accordance with the relevant laws and regulations of Japan to support the Financial Sector Adjustment Program (hereinafter referred to as "the Program").

2. (1) The Loan will be made available by a loan agreement to be concluded between the Government of the Republic of Peru and the Fund. The terms and conditions of the Loan as well as the procedures for its utilization will be governed by the said loan agreement which will contain, inter alia, the following principles:

(a) The repayment period will be twenty (20) years after the grace period of ten (10) years.

(b) The rate of interest will be three (3) per cent per annum.

(c) The disbursement period will be two (2) years from the date of coming into force of the said loan agreement.

(2) The disbursement period mentioned in subparagraph (1) (c) above may be extended with the consent of the authorities concerned of the two Governments.

To His Excellency  
Nobuo Nishizaki  
Ambassador of Japan in Peru.  
Lima.-

3. (1) The Loan will be made available to cover payments already made and/or to be made to suppliers of eligible source countries by importers in the Republic of Peru under such contracts as have been or may be entered into between them for purchases of products required during the implementation of the Program and for purchases of services incidental to the purchases of those products, provided that such purchases are made in such eligible source countries for products produced in and services supplied from those countries.

(2) The scope of eligible source countries mentioned in sub-paragraph (1) above will be agreed upon between the authorities concerned of the two Governments.

4. (1) The Government of the Republic of Peru will take measures to have the equivalent in Peruvian currency of the amount of yen disbursements of the Loan transferred by the Banco de la Nación to the counterpart fund account opened in the name of the Government of the Republic of Peru in the Banco de la Nación. The amount of Peruvian currency thus transferred shall be used for the economic and social development projects of the Government of the Republic of Peru.


(2) The Government of the Republic of Peru will, upon request, furnish the Government of Japan with reports on the use of the counterpart fund mentioned in sub-paragraph (1) above.

5. The Government of the Republic of Peru will ensure that products and/or services mentioned in sub-paragraph (1) of paragraph 3 are procured in accordance with the guidelines for procurements of the Fund, which set forth, *inter alia*, the procedures of international tendering to be followed except where such procedures are inapplicable or inappropriate.

6. With regard to the shipping and marine insurance of products purchased under the Loan, the Government of the Republic of Peru will refrain from imposing any restrictions that may hinder fair and free competition between the shipping and marine insurance companies.

7. The Government of the Republic of Peru will exempt the fund from all fiscal levies or taxes imposed in the Republic of Peru on and/or in connection with the Loan as well as interest accruing therefrom.

8. The Government of the Republic of Peru will take necessary measures to ensure that the Loan be used properly and exclusively for purchases of products and/or services mentioned in sub-paragraph (1) of paragraph 3.



9. The Government of the Republic of Peru will, upon request, furnish the Government of Japan and the Fund with information and data concerning the progress of the implementation of the Program.

10. The two Governments will consult with each other in respect of any matter that may arise from or in connection with the foregoing understanding.

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.



OSCAR DE LA PUENTE RAYGADA  
PRIME MINISTER AND.  
MINISTER OF FOREIGN AFFAIRS


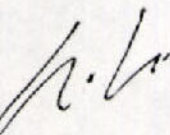
## RECORD OF DISCUSSIONS

In connection with the Exchange of Notes dated in November 24th, 1992 (hereinafter referred to as "the Exchange of Notes") concerning a Japanese loan to be extended under the Financial Recycling Scheme with a view to strengthening the friendly relations and economic cooperation between the two countries (hereinafter referred to as "the Loan"), the representatives of the Japanese delegation and the Peruvian delegation wish to record the following:

1. With reference to sub-paragraph (1) of paragraph 3 of the Exchange of Notes, the representative of the Japanese delegation stated that "suppliers of eligible source countries" mean nationals of eligible source countries or juridical persons incorporated and registered in the said countries, having their appropriate facilities for producing or providing the products and/or services in those countries, and actually conducting their business there.

2. With reference to sub-paragraph (1) of paragraph 3 of the Exchange of Notes, the representative of the Japanese Delegation stated that the Loan may be made available to cover payments already made and/or to be made between September 24, 1991 and the previous day of coming into force of the loan agreement mentioned in sub-paragraph (1) of paragraph 2 of the Exchange of Notes, both dates inclusive, as well as payments to be made on and after the day of coming into force of the said loan agreement, for purchases of the products and/or services referred to in sub-paragraph (1) of paragraph 3 of the Exchange of Notes, except the products the purchase of which is prohibited under the said loan agreement.

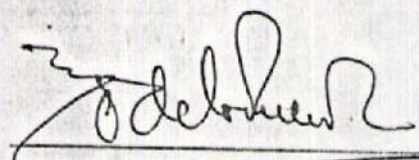
3. With regard to the Loan, the representative of the Japanese Delegation stated that the Loan would be extended, taking into account the current economic difficulties faced by the Government of the Republic of Peru, with a view to encouraging the Government of the Republic of Peru to continue the implementation of the current economic policies of the Government of the Republic of Peru under the Financial Sector Adjustment Program which have been endorsed by the Inter-American Development Bank (IDB).

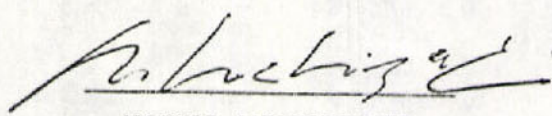


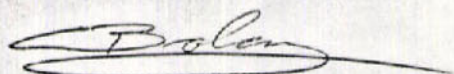
The representative of the Japanese Delegation further stated that the Loan could be characterized also as the parallel co-financing with the Financial Sector Loan (FSL) extended by the IDB.

4. With reference to sub-paragraph (1) of paragraph 3 of the Exchange of Notes, the representative of the Japanese Delegation stated that the disbursement will be made subject to confirmation that the Government of the Republic of Peru continues to observe the conditions agreed with the IDB under the FSL. Thus the disbursement of the Loan will be executed in three tranches (the amount of each disbursement for the first, the second and the third tranches are six billion three hundred and forty-five million yen (¥ 6,345,000,000), three billion one hundred and seventy two million five hundred thousand yen (¥ 3,172,500,000) and three billion one hundred and seventy two million five hundred thousand yen (¥ 3,172,500,000), respectively, upon the condition of each disbursement of the first, the second and the third tranches of the FSL by the IDB.

5. The representative of the Peruvian Delegation stated that his Delegation had no objection to the statements mentioned in 1, 2, 3 and 4 above.

  
OSCAR DE LA PUENTE RAYGADA  
MINISTER OF FOREIGN AFFAIRS

  
NOBUO NISHIZAKI  
AMBASSADOR OF JAPAN



(NOTA PERUANA)

Excelencia,

Tengo la honra de acusar recibo de la atenta nota de Vuestra Excelencia fechada el día de hoy, que dice lo siguiente:

"(NOTA JAPONESA)"

En consecuencia, tengo la honra de confirmar, a nombre del Gobierno de la República del Perú, los términos de la nota antes transcrita y acordar que la Nota de Vuestra Excelencia y la presente constituyen un acuerdo entre los dos Gobiernos, el cual entrará en vigor en la fecha de la presente nota.

Aprovecho la oportunidad para expresar a Vuestra Excelencia las seguridades de mi más alta y distinguida consideración.