श्री ५ को सरकार कानन तथा न्याय मन्त्रालयको

नेपाल ग्रधिराज्यको आर्थिक विकासमा योगदान पुन्याउन र नेपाली जनताको हितको म्रिभवृद्धि गर्ने उद्देश्यका लागि जापान सरकारले नेपाललाई मनुदान सहायता उपलब्ध गराउने सम्बन्धमा श्री ५ को सरकार र जापान सरकारबीच भएका भ्रादान-प्रदान पत्रहरू (Letter of Exchange) सर्वसाधारणको जानकारीको लागि प्रकाशित गरिएको छ।

> KATHMANDU March 10, 1986

Dear Mr. Shrestha,

I have the honour to refer to the resolution 165 dated March 11, 1978 of the Third Part of the Ninth Special Session of the Trade and Development Board of the United Nations Conference on Trade and Development regarding debt and development problems of developing countries and to the recent discussions held between the representatives of the Government of Japan and of His Majesty's Government of Nepal concerning Japanese economic cooperation to be extended to the Kingdom of Nepal with a view to strengthening friendly and cooperative relations between the two countries, and to propose on behalf of the Government of Japan the following arrangements:

Nothing the debt of His Majesty's Government of Nepal under the loan agreements concluded in accordance with the Notes Mr. Lok Bahadur Shrestha, Ministry of Finance, I demand due ni or benefer espirese than

Secretary,

His Majesty's Government of Nepal,

Kathmandu

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आधिकारिकता मुद्रण विभागबाट प्रमाणित गरिएपछि मात्र लागु हुनेछ।

exchanged between the Government of Japan and His Majesty's Government of Nepal on March 16, 1976, the Government of Japan will extend to His Majesty's Government of Nepal, in accordance with the relevant laws and regulations of Japan, a grant of eighty-two million four hundred and ninety-nine thousand Yen (82,499,000) (hereinafter referred to as "the Grant") for the purpose of contributing to the development of the economy of the Kingdom of Nepal and the enhancement of the welfare of its people.

- 2. (1) The Grant and its accrued interest will be used by His Majesty's Government of Nepal properly and exclusively for the purchase of products enumerated in a list to be mutually agreed upon between the authorities concerned of the two Governments and services incidental to such products, provided that those products are produced in eligible source countries.
- (2) The list mentioned in sub-paragraph (1) above will be subject to modifications which may be agreed upon between the authorities concerned of the two Governments.
- (3) The scope of the eligible source countries mentioned in sub-paragraph (1) above will be agreed upon between the authorities concerned of the two Governments.
- 3. (1) His Majesty's Government of Nepal will open a yen ordinary deposit account at an authorized foreign exchange bank of Japan in the name of His Majesty's Government of Nepal (hereinafter referred to as "the Account") within fourteen days after the date of coming into force of the present arrangements and will notify in writing the Government of Japan of the completion of the procedure for opening the Account within seven days after the date of the opening of the Account.
- (2) The sole purpose of the Account is to receive the payment in Japanese Yen by the Government of Japan referred to in paragraph 4 as well as to make payments necessary for the purchase of the products and services referred to in sub-paragraph (1) of paragraph 2, and such other payment as may be agreed upon by the authorities concerned of the two Governments,

- 4. The Government of Japan will execute the Grant by making payment in Japanese Yen of the amount referred to in paragraph 1 to the Account during the period between the date of receipt of the written notification referred to in sub-paragraph (1) of paragraph 3 and March 31, 1986, unless the period is extended by mutual agreement between the authorities concerned of the two Governments.
- 5. (1) His Majesty's Government of Nepal will take necessary In instruction Covernment measures:
- (a) to use the Grant and its accrued interest within a reasonable period after the Grant is executed;
- (b) to ensure that customs duties, internal taxes and other fiscal levies which may be imposed in the Kingdom of Nepal with respect to the purchase of products and services referred to in sub-paragraph (1) of paragraph 2 shall not be borne by the Grant; by the Grant;
 - (c) to ensure that the products purchased under the Grant be maintained and used properly and effectively for the development of the economy of the Kingdom of Nepal and the enhancement of the welfare of its people; and
- (d) to submit to the Government of Japan a report prepared in a written form acceptable to the Government of Japan on the transactions on the Account together with copies of contracts, vouchers and other documents concerning the relevant transactions without delay when the Grant and its accrued interest are completely drawn in accordance with the provisions of sub-paragraph (2) of paragraph 3 or upon request by the Government of Japan.
 - (2) The products purchased under the Grant shall not be re-exported from the Kingdom of Nepal.
 - The two Government will consult with each other in respect of any matter that may arise from or in connection with the present arrangements. to the Kinedom of Nepales

I have further the honour to propose that this Note and your Note in reply confirming on behalf of His Majesty's Government of Nepal the foregoing arrangements shall be regarded as constituting

अधिकारिकता मुद्रण विभागबाट प्रमाणित गरिएपछि मात्र लागु हुनेछ।

an agreement between the two Governments, which will enter into force on the date of your reply.

I avail myself of this opportunity to renew to you the assurance of my high consideration.

Kazuo Kaneko
Ambassador of Japan
to Nepal

His Majesty's Government

MINISTRY OF FINANCE KATHMANDU NEPAL March 10, 1986

Excellency,

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

(See the above text)

I have further the honour to confirm on behalf of His Majesty's Government of Nepal the foregoing arrangements and to agree that Your Excellency's Note and this Note shall be regarded as constituting an agreement between the two Governments which will enter into force on the date of this reply.

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

Lok Bahadur Shrestha Secretary

His Excellency
Mr. Kazuo Kaneko
Ambassador Extraordinary
and plenipotentiary of Japan
to the Kingdom of Nepal
Japanese Embassy
Kathmandu
NEPAL

्र (द) अधिकारिकता मुद्रण विभागबाट प्रमाणित गरिएपछि मात्र लागु हुनेछ।