



Treaty Series No. 17 (1973)

Exchange of Notes

concerning an Interest-free
Development Loan by the Government
of the United Kingdom of Great Britain
and Northern Ireland to the Government
of the Republic of Indonesia

(United Kingdom/Indonesia Loan Agreement (No. 1) 1972
—Project Development)

Jakarta, 4 July 1972

[The Agreement entered into force on 4 July 1972]

*Presented to Parliament
by the Secretary of State for Foreign and Commonwealth Affairs
by Command of Her Majesty
February 1973*

LONDON

HER MAJESTY'S STATIONERY OFFICE

13½p net

**EXCHANGE OF NOTES
CONCERNING AN INTEREST-FREE DEVELOPMENT LOAN
BY THE GOVERNMENT OF THE UNITED KINGDOM OF
GREAT BRITAIN AND NORTHERN IRELAND TO THE
GOVERNMENT OF THE REPUBLIC OF INDONESIA**

No. 1

*The Secretary of State for Foreign and Commonwealth Affairs to the
Minister for Foreign Affairs of Indonesia*

*British Embassy,
Djakarta.*

Your Excellency,

4 July, 1972.

I have the honour to refer to the recent discussions concerning development aid from the Government of the United Kingdom of Great Britain and Northern Ireland to the Government of the Republic of Indonesia and to inform you that the Government of the United Kingdom are prepared to conclude an Agreement with the Government of Indonesia on this question. The position of the Government of the United Kingdom with regard to the provision of finance and the commitments of that Government and of the Government of Indonesia as regards associated matters shall be as respectively set out in Part A and Part B below:

- A. The Government of the United Kingdom declare that it is their intention to make available to the Government of Indonesia by way of an interest-free loan a sum not exceeding £7,000,000 (seven million pounds sterling) for the purposes of development projects agreed during the period 1 April 1972 to 31 December 1974.
- B. (1) The Government of the United Kingdom shall adopt the arrangements and procedures described in the following paragraphs of this Note insofar as they relate to things to be done by or on behalf of that Government. The Government of Indonesia shall adopt the arrangements and procedures so described insofar as they relate to things to be done by or on behalf of that Government.
- (2) The projects to be assisted from the loan shall be agreed between the Government of the United Kingdom and the Government of Indonesia and drawings from the loan shall be applied subject to paragraph (4) of this Note to payments and reimbursements of costs incurred in furtherance of the projects agreed. Unless the Government of the United Kingdom otherwise agree, no project shall be eligible for assistance from the loan unless it is agreed between the two Governments before 31 December 1974, and no payment or reimbursements in the manner hereinafter described shall be made in respect of any contract or costs unless the contract or other relevant transaction is entered into before 31 December 1974.

- (3) (a) For the purpose of these arrangements the Government of Indonesia shall, by a request in the form set out in Annex A to this Note, open a special account (hereinafter referred to as "the Account") with the Crown Agents for Oversea Governments and Administrations of 4 Millbank, London, S.W.1. (hereinafter referred to as "the Crown Agents"). The Account shall be operated solely for the purposes of the loan and in accordance with the instructions contained in the said request.
- (b) As soon as the Account is opened and before taking any other step required by these arrangements for obtaining any part of the loan, the Government of Indonesia shall furnish the Government of the United Kingdom with a copy of the Government's instructions to the Crown Agents given in accordance with the foregoing provisions of this paragraph. The Government of Indonesia or the Crown Agents on their behalf shall, at the same time, and so often as any change is made therein, notify the Government of the United Kingdom of the names of the Officers who are duly authorised to sign on its behalf the Payment Orders and Requests for Drawing hereinafter provided and shall furnish a specimen signature in duplicate of each such officer.
- (c) Unless the Government of the United Kingdom otherwise agree, payments into the Account shall not be made after 31 March 1975.
- (4) Save to the extent, if any, to which the Government of the United Kingdom may otherwise agree, drawings from the loan shall be used only:
- (a) to reimburse a Bank in the United Kingdom designated by the Government of Indonesia for payments made under irrevocable letters of credit advised after the date of this Note for the purpose of any contract for the purchase in the United Kingdom (which expression in this Note shall be deemed to include the Channel Islands and the Isle of Man) of goods wholly produced or manufactured in the United Kingdom or, in the case of chemical and allied products, goods which are duly declared to be of United Kingdom origin on the form set out in Annex C (Chemicals) to this Note, or for work to be done or for services to be rendered by persons ordinarily resident or carrying on business in the United Kingdom or for two or more of such purposes, being a contract which is made in connection with an agreed project and which:
- (i) provides for payment in sterling to persons carrying on business in the United Kingdom; and
- (ii) is approved by the Government of Indonesia and accepted by Crown Agents on behalf of the Government of the United Kingdom for financing from the loan; and
- (iii) is a contract entered into after the date of this Note and before 31 December 1974.
- (b) for payment of sterling bank charges, commissions, shipping costs and other acceptable charges payable in the United Kingdom to:

- (i) the Crown Agents in respect of their services on behalf of the Government of Indonesia in connection with the loan; or
 - (ii) a Bank designated by the Government of Indonesia in respect of a letter of credit referred to in sub-paragraph (a) of this paragraph;
- (c) for reimbursing the Government of Indonesia a proportion of payments made by them or an appropriate authority or agency charged with responsibility for an agreed project for the purpose of such a project provided that any conditions stipulated by the Government of the United Kingdom under paragraph (6) of this Note are complied with, being such proportion as is accepted by the Government of the United Kingdom for financing from the loan;
- (d) for reimbursing the Government of Indonesia a proportion of payments made by them or an appropriate authority or agency charged with the responsibility for an agreed project towards costs incurred in Indonesia for the purpose of such a project in respect of:
- (i) the purchase of goods wholly produced or manufactured in Indonesia; or
 - (ii) the costs of services rendered by citizens of the United Kingdom and Colonies or citizens of the Republic of Indonesia being such proportion and such goods and services as are accepted by the Government of the United Kingdom for financing from the loan; or
 - (iii) if the prior approval in writing of the Government of the United Kingdom shall have been given thereto, and subject to the terms of such approval, the cost of services rendered by staff working for the Government of Indonesia or a public or statutory body on an agreed project who are not citizens of the Republic of Indonesia nor of the United Kingdom and Colonies;
- (e) for reimbursing, under such terms and conditions as may be laid down by the Government of the United Kingdom, the Government of Indonesia for payments made to statutory corporations within Indonesia towards the cost of an agreed project;
- (f) for reimbursing the Government of Indonesia a proportion of the costs of consultancy services provided by a firm of consultants carrying on business in the United Kingdom or Indonesia and selected, in connection with an agreed project, in consultation with and on terms approved by the Government of the United Kingdom, being such proportion as is accepted by the Government of the United Kingdom for financing from the loan.
- (5) (a) Where the Government of Indonesia propose that part of the loan shall be allocated to a project, they shall forward to the Government of the United Kingdom through the British Embassy in Djakarta a description of the project and its location and shall provide such further details as the Government of the United Kingdom may require.

- (b) The Government of the United Kingdom shall notify the Government of Indonesia whether their proposal to allocate part of the loan to a project is agreed, the amount of the loan agreed, and any special conditions attached to such agreement. If the project has not previously been agreed between the Government of Indonesia and the Government of the United Kingdom, the agreement of the Government of the United Kingdom to a proposal under this sub-paragraph shall constitute the agreement of the project.
- (c) The Government of Indonesia shall seek the prior approval of the Government of the United Kingdom if at any time it is necessary to amend an agreed project.
- (6) The Government of the United Kingdom may stipulate in respect of any agreed project involving work to be carried out in Indonesia that tenders shall be called for and that some or all of the following conditions shall apply:
- (a) the contract shall be awarded only to a company incorporated or registered in, or a partnership created in, the United Kingdom or in Indonesia and then only with the approval of the Government of the United Kingdom;
- (b) the draft contract documents and the list of undertakings invited to tender shall be approved by the Government of the United Kingdom before an invitation to tender is issued and the contract shall be put out to tender in accordance with such approval;
- (c) the contract shall provide that:
- (i) all goods imported by the contractor for the purposes of the contract shall be wholly produced or manufactured in the United Kingdom and that all contractor's plant, machinery and equipment used for the purposes of the contract, whether new or part used, shall be so far as practicable of United Kingdom manufacture;
- (ii) subject to item (i) above, all goods purchased under the contract shall be wholly produced or manufactured in the United Kingdom or in Indonesia;
- (iii) all work done or services rendered under the contract shall normally be carried out by persons who are citizens of the United Kingdom and Colonies or citizens of the Republic of Indonesia;
- (iv) the tender must show the cost of any goods and services which are essential elements of the contract, but which are neither of British nor Indonesian origin and must therefore be designated foreign; (such costs shall be known as the "foreign content" element of the tender);
- (d) a firm or firms of consultants, carrying on business in the United Kingdom or Indonesia, selected in consultation with and whose terms of reference have been agreed with the Government of the United Kingdom shall be appointed to supervise the execution of the contract.

- (7) Where a project has been agreed and the Government of Indonesia propose that part of the loan shall be applied to a contract in connection therewith, that Government shall ensure that the Crown Agents acting on their behalf obtain at the earliest opportunity:
- (i) a copy of the contract, or of a notification thereof in the form set out in Annex B to this Note; and
 - (ii) two copies of a certificate from the contractor concerned in the United Kingdom in the form set out in Annex C or Annex C (Chemicals) (whichever is appropriate) to this Note.
- (8) (a) After the Crown Agents, acting on behalf of the Government of the United Kingdom, have considered the documents described in paragraph (7) of this Note, they shall decide whether and to what extent a contract is eligible for payment from the loan.
- (b) To the extent that the Crown Agents acting on behalf of the Government of the United Kingdom, so accept a contract and agree to payment from the Account, and to the extent that reimbursement of costs incurred by the Government of Indonesia is properly due from the Account, the Government of the United Kingdom shall, on receipt of a request from the Crown Agents on behalf of the Government of Indonesia, in the form set out in Annex C (i) to this Note, make payments in sterling into the Account and each such payment shall constitute a drawing on the loan.
- (9) (a) For reimbursements to a Bank in the cases to which sub-paragraph (4) (a) of this Note refers, withdrawals from the Account shall be made only on receipt by the Crown Agents of:
- (i) Payment Certificates from the contractors concerned in the form shown in Annex E hereto and the invoices referred to therein, or
 - (ii) the invoices only relating to the contracts in respect of which a Contract Certificate in the form shown in Annex C (Chemicals) hereto has been provided.

Provided that:

- (aa) the amount of reimbursement made in respect of any one contract, excluding the sterling bank charges, commissions, shipping costs and other acceptable charges referred to in paragraph (4) (b) of this Note, shall not exceed the amount specified in relation to that contract in accordance with the procedure at paragraph (8) (a) of this Note;
- (bb) where the amount shown in paragraphs 5 or 6 of the Contract Certificate relating to that contract is exceeded, the Government of Indonesia, at the request of the Government of the United Kingdom, shall pay an amount equal to the difference into the Account; and
- (cc) photocopies or duplicates of invoices may be submitted instead of the originals for the purposes of this sub-paragraph.

- (b) For payments to which sub-paragraph (4) (b) of this Note refers, the Crown Agents shall debit the Account and inform the Government of Indonesia of the amounts so debited.
- (c) For reimbursements to the Government of Indonesia in the cases to which sub-paragraphs (4) (c) and (4) (f) of this Note refer, the withdrawals shall be made in accordance with Payment Orders in the form shown in Annex D hereto duly signed on behalf of that Government and countersigned by the Government of the United Kingdom. Each Payment Order shall be forwarded in duplicate to the Government of the United Kingdom for counter-signature and shall be accompanied by:
- (i) in the cases to which sub-paragraph (4) (c) of this Note refers, a certificate from the consultants in the form shown in Annex F hereto together with a copy of the consultant's certificate authorising payment to the contractor; and
 - (ii) in the cases to which sub-paragraph (4) (f) of this Note refers, a copy of the invoice from the firm or firms of consultants concerned.
- (d) For reimbursements to the Government of Indonesia in the cases to which sub-paragraphs (4) (d) and (4) (e) of this Note refer, withdrawals shall be made in accordance with Payment Orders in the form shown in Annex D (i) hereto duly signed on behalf of that Government and countersigned by the Government of the United Kingdom. Each Payment Order shall be forwarded in duplicate to the Government of the United Kingdom for counter-signature and shall be accompanied by a claim from the Government of Indonesia in the form shown in Annex G hereto.
- (10) If any monies that have been paid out of the Account are subsequently refunded either by the Contractor or by a guarantor, the Government of Indonesia shall, so long as there are payments to be made from the Account, pay an equivalent of such sums into the Account and, in any other case, apply the refunds to the reduction of the loan.
- (11) The Government of Indonesia shall ensure the provision of such finance additional to the loan finance provided in accordance with the arrangements set out in this Note as may be needed to complete each agreed project and shall ensure that such finance shall be provided during the same period as the loan finance and in accordance with any programme of disbursements agreed between that Government and the Government of the United Kingdom.
- (12) The Government of Indonesia shall supply to the Government of the United Kingdom an annual statement in duplicate in respect of each project to which any part of the loan is allocated or applied. Each statement shall be countersigned by the appropriate Indonesian audit authority and shall show the loan drawings made for the purposes of sub-paragraphs (4) (c), (d), (e) and (f) of this Note and the actual expenditure incurred during the Indonesian financial year and shall certify that the expenditure was made in accordance with the terms and conditions set out in this Note and any conditions on which the

project or transaction was agreed or accepted for financing from the loan. Such statements shall be forwarded to the Government of the United Kingdom as soon as possible and, in any event, not later than twelve months after the end of each Indonesian financial year. Annual audited statements shall also be required from statutory corporations in respect of those projects and for those years for which British development loan monies were received and spent.

- (13) The Government of Indonesia shall repay to the Government of the United Kingdom in pounds sterling in London the total sum borrowed under the arrangements set out in this Note, such repayment to be made by instalments paid on the dates and in the amounts specified below; except that if on the date when any such instalment is due to be paid, there is then outstanding less than the amount specified for that instalment, only the amount then outstanding shall be paid:

INSTALMENTS		Amount
<i>Date due</i>		£
1 January 1980 and on the 1st of January in each of the succeeding 17 years		194,400
1 July 1980 and on the 1st of July in each of the succeeding 16 years		194,400
1 July 1997		196,000

- (14) Notwithstanding the provisions of paragraph (13) of this Note, the Government of Indonesia shall be free at any earlier time to repay to the Government of the United Kingdom in pounds sterling in London the whole or any part of the loan that is still outstanding.
- (15) The Government of Indonesia shall permit officers of the British Embassy in Djakarta and other servants or agents of the Government of the United Kingdom to visit any project for which any part of the loan is allocated or made available and shall furnish such officers, servants and agents with such information relating to the projects and the progress and financing thereof as the latter may reasonably require.

2. If the foregoing proposals are acceptable to the Government of Indonesia, I have the honour to suggest that the present Note and its Annexes, together with your reply in that sense shall constitute an Agreement between the two Governments which shall enter into force on the date of your reply and shall be known as the United Kingdom/Indonesia Loan Agreement (No. 1) 1972—Project Development.

I have the honour to be with the highest consideration and respect your obedient servant

ALEC DOUGLAS-HOME

ANNEX A

GOVERNMENT OF THE REPUBLIC OF INDONESIA

To: The Crown Agents for Oversea
Governments and Administrations,
4 Millbank,
London, S.W.1.

Dear Sir,

**United Kingdom/Indonesia Loan (No. 1) 1972
Project Development**

I confirm your appointment as agents of the Government of the Republic of Indonesia (hereinafter called "the Government") in connection with the administration in the United Kingdom of the above-mentioned loan which is for a sum not exceeding £7,000,000 (seven million pounds sterling).

2. I have to request you on behalf of the Government to open a special account in the name of the Government to be styled the United Kingdom/Indonesia Project Loan (No. 1) 1972, Account (hereinafter called "the Account").

3. Payments into the account will be made from time to time by Her Majesty's Government in the United Kingdom of Great Britain and Northern Ireland on receipt of requests, in the form shown in Annex C (i) to the Agreement between the Government of the United Kingdom of Great Britain and Northern Ireland and the Government of the Republic of Indonesia dated..... (a copy of which is attached hereto) and which you are authorised to present on behalf of the Government. It is possible that, as a result of refunds becoming due from contractors, payments into the Account will also be made by the Government itself.

4. Drawings from the Account are to be made only in respect of the payments and reimbursements falling due under the contracts and transactions described in paragraph B (4) of the Agreement referred to above and on the authority, in the manner and subject to the conditions described in paragraph B (9) of the said Agreement.

5. You are to send to the Government of Indonesia at the end of each month a detailed statement showing all debits to the Account during the month.

6. You are to send to the Government of the United Kingdom with copies to the Government specimen signatures of the officers of the Crown Agents authorised to sign Requests for Drawing on behalf of the Government.

7. Specimen signatures of the officers authorised to sign Payment Orders on behalf of the Government are attached hereto.

8. Your charges and commissions for acting as our agents in connection with this loan shall be chargeable to the Account.

9. A copy of this letter has been sent to the Government of the United Kingdom.

Yours faithfully,

ANNEX B

United Kingdom/Indonesia Loan (No. 1) 1972

NOTIFICATION OF CONTRACT

To: The Crown Agents for Oversea Governments
and Administrations,
4 Millbank,
London, S.W.1.

Project.....

Notification of Contract No.....

The following are details of a contract under which it is proposed that payments shall be made in accordance with the terms and conditions of the above loan.

1. Name and address of
United Kingdom contractor:
2. Date of Contract:
3. Name of Indonesian purchaser:
4. Short description of goods
and/or works or services:
5. Value of Contract: £
6. Terms of Payment:

Signed on behalf of the Government of
the Republic of Indonesia

Date.....

ANNEX C

United Kingdom/Indonesia Loan (No. 1) 1972

Acceptance

No.....

CONTRACT CERTIFICATE

(For Chemicals and Allied Products use alternative " Certificate " overleaf)

Particulars of Contract

1. Date of Contract..... 2. Contract No.....
3. Description of goods or services to be supplied to the purchaser.....

.....
.....
If a number of items are to be supplied, a detailed list should be appended to this certificate.

4. Total contract price payable by purchaser (state CIF, C & F or FOB) £.....
.....

If goods are to be supplied the following sections must be completed.

If the contractor is exporting agent only, the information requested should be obtained from manufacturer.

5. Estimated percentage of the FOB value of the goods not originating in the United Kingdom, but purchased by the contractor directly from abroad, *i.e.* percentage of imported raw material or components used to manufacture.

(a) Percentage FOB value.....

(b) Description of items and brief specifications.....
.....

6. If any raw material or components used originated from abroad, *e.g.* copper, asbestos, cotton, wood pulp, etc., but have been purchased in the United Kingdom by the contractor for this contract, specify:

(a) Percentage FOB value.....

(b) Description of items and brief specifications.....
.....

If services are to be supplied, the following section should also be completed

7. State the estimated value of any work to be done or services performed in the purchaser's country by:

(a) Your firm (site engineer's charges, etc.).....

(b) Local contractor.....

8. Qualifying remarks as necessary in respect of paragraph 5, 6, or 7 above.....
.....

9. I hereby declare that I am employed in the United Kingdom by the Contractor named below and have the authority to sign this certificate. I hereby undertake that in performance of the contract no goods or services which are not of United Kingdom origin will be supplied by the Contractor other than those specified in paragraphs 5, 6, 7 and 8 above.

Signed

Position held

Name and address of Contractor

.....

Date

Note: For the purposes of this declaration the United Kingdom includes the Channel Islands and the Isle of Man.

Contractors should note that goods should not be manufactured until acceptance has been notified.

FOR OFFICIAL USE ONLY				PAYMENTS			
Name or Number of Project.....							
Amount Committee	Date of Entry	Acceptance		Date	Amount	PA No.	Initials
		Date	Initials				

ANNEX C (CHEMICALS)

United Kingdom/Indonesia Loan (No. 1) 1972

CONTRACT CERTIFICATE FOR CHEMICAL AND ALLIED PRODUCTS ONLY

1. Date of Contract..... Contract No.....
 Project Title (if appropriate).....

2. Description of Product(s) be supplied to Purchaser (Note A)	Price £	United Kingdom Tariff Classification No. (Note B)	Is the product of United Kingdom origin? (See Note C) State "Yes" or "No."
.....
.....
.....
.....

3. Total [estimated] contract price payable by Purchaser in Sterling £.....

4. (Declaration.) I hereby declare that I am employed in the United Kingdom by the contractor named below and have the authority to sign this certificate, and that the above information is correct.

Signed

Position held

Name and address of Contractor

Date

Notes:

A. This form is only to be used for chemical and allied products, most of which are covered by the appropriate sub-headings of Chapters 15, 25, 28-35, and 37-40 of the United Kingdom Tariff.

B. See:

- (i) Her Majesty's Customs and Excise Tariff, H.M.S.O.
- (ii) Classification of Chemicals in Brussels Nomenclature, H.M.S.O.

- C. (i) A product is regarded as "United Kingdom origin" if made either wholly from indigenous United Kingdom materials or according to the appropriate EFTA qualifying process using imported materials wholly or in part.
- (ii) The EFTA qualifying processes are set out in Schedule I of the "EFTA Compendium for Use of Exporters", H.M.S.O.
- (iii) For the purposes of this declaration it is to be emphasised that the "alternative percentage criterion" DOES NOT APPLY.
- (iv) The words "Area Origin" where they appear in the above Schedule must be taken to mean "United Kingdom Origin" only.
- (v) For the purposes of this declaration, the "Basic Materials List" (Schedule III of the EFTA Compendium) does not apply.
- (vi) If a qualifying process is not listed for the material in question, advice should be sought from CS4 Department, Crown Agents for Oversea Governments and Administrations, 4 Millbank, London, S.W.1.

D. For the purpose of this declaration the United Kingdom includes the Channel Islands and the Isle of Man.

ANNEX C (i)

United Kingdom/Indonesia Loan (No. 1) 1972

Request for Drawing

Crown Agents for Oversea
Governments and Administrations
4 Millbank,
London, S.W.1.

D.F. No.....

Dear Sirs,

Please pay the sum of £.....to the United Kingdom/Indonesia
Project Loan (No. 1) 1972 Account at the Crown Agents.

This sum shall, on payment into the Account, constitute a drawing on the loan.

The balance in hand is £.....

Yours faithfully,

.....
For the Crown Agents on behalf of the
Government of Indonesia.

Finance Department,
Overseas Development Administration,
Eland House,
Stag Place,
London, S.W.1.

ANNEX D

United Kingdom/Indonesia Loan (No. 1) 1972

PAYMENT ORDER

Serial No.

Dear Sir,

.....ACCOUNT

I have to request authority to make reimbursement out of the above-mentioned account to the account of the Government of the Republic of Indonesia of the following amounts in respect of the under-mentioned contracts:

Name and Address of Contractors	Project/Contract No./Reference	Date of Payment	Amount of Payment

This is to certify that the payments stated above have been made on the dates as shown under the contracts noted to the Contractors named.

Signed on behalf of the Government of the Republic of Indonesia

Date.....

To: The Government of the United Kingdom
Reimbursement agreed

Signed on behalf of the Government of the United Kingdom

Date.....

To: The Crown Agents for Oversea Governments and Administrations,
4 Millbank,
London, S.W.1.

ANNEX D (i)

United Kingdom/Indonesia Loan (No. 1) 1972

PAYMENT ORDER

Serial No.:

Dear Sirs,

.....ACCOUNT

You are hereby authorised to make reimbursement out of the above-mentioned account to the account of the Government of the Republic of Indonesia of £ () in respect of expenditure incurred on agreed projects in Indonesia.

Signed on behalf of the Government of
the Republic of Indonesia

Date.....

Reimbursement agreed

Signed on behalf of the Government of
the United Kingdom

Date.....

To: The Crown Agents for Oversea Governments
and Administrations,
4 Millbank,
London, S.W.1.

ANNEX E

Crown Agents Reqn. No.

Suppliers Contract Ref.

United Kingdom/Indonesia Loan (No. 1) 1972

PAYMENT CERTIFICATE

I hereby certify that

- (i) The payments referred to in the invoices listed below, which or copies of which accompany this payment certificate, fall due and are due to be made in respect of Contract No.....dated..... between the contractor named below and..... (Purchaser) and are in accordance with particulars of this contract notified in the contract certificate signed on behalf of the said contractor on.....

Contractor's Invoice No.	Date	Amount £	Short description of goods, works and/or services

- (ii) The amounts specified in paragraph (i) do not include any additional foreign content to that already declared in paragraphs 5, 6 or 7 of the contract certificate.

- (iii) I have the authority to sign this certificate on behalf of the Contractor named below.

Signed

Position held

For and on behalf of

Name and address of Contractor

Date

Note: For the purpose of this declaration the United Kingdom includes the Channel Islands and the Isle of Man.

ANNEX F

United Kingdom/Indonesia Loan (No. 1) 1972

PROJECT.....

Sub-Division of Contract Expenditure between costs of Imports from the United Kingdom and other Costs

To: Address.....

Date.....

Certificate for the period ended

We hereby certify that the amounts certified by us in respect of work carried out by Messrs.....on the above-named projects are apportioned as follows between costs of United Kingdom imports and other costs.

A. Imports from United Kingdom (Identifiable Items)

					£	£
Previous total	...	...	...	...
Amount now certified	...	...	...	...
Total to date	...	...	...	...
					_____	_____

B. Imports from sources other than United Kingdom—

Indicate Source Country

C. Other Costs

Previous total	...	...	...	...
Amount now certified	...	...	...	...
					_____	_____

Total certificate expenditure _____

Signed

(Name of Consultants)

ANNEX G

Government of the Republic of Indonesia
United Kingdom/Indonesia Loan (No. 1) 1972

CERTIFICATE OF EXPENDITURE AND REQUEST FOR DRAWINGS: SERIAL NO.

Ministry..... Period of Claim.....
Project No..... Project Title.....

Section I. Total estimated and actual expenditure

Cost of approved project:	Actual costs up to last claim:
£.....	£.....
Allocation from British loan:	Actual reimbursement to last actual claim:
£.....	£.....

Section II. Reimbursable expenditure since date of last Claim

	<i>A</i> <i>Local</i> <i>cost</i> <i>expenditure</i>	<i>B</i> <i>Imports</i> <i>from</i> <i>Britain</i>	<i>C</i> <i>Imports</i> <i>from</i> <i>other</i> <i>source</i>
(a) Costs of imports from Britain purchased locally, including Government stores ...			
(b) On carriage charges paid locally on direct imports from Britain ...			
(c) Expenditure on Indonesian goods and services ...			
(d) Costs of other imports (reckoned as local costs subject to prior approval of the Ministry)			
<i>State Source Country</i> ...			
(e) Expenditure totals (a)+(b)+(c)+(d) ...	£	£	

Section III. Summary of Claim

(f) Costs covered by this claim (e) ...	£.....
(g) Imports from Britain already paid in full from Loan Account from C Agents (not included in (a) above) ...	£.....
(h) Total expenditure since last claim (f)+(g) ...	£.....
(i) Indonesian Government contribution to (h) ...	£.....
(j) Total of this claim for reimbursement of expenditure (f) less (i) ...	£.....

Section IV. Certification

I certify that the above claim for £.....(paragraph (j)) is correct and that the expenditure was incurred on this Project additional to that already claimed on previous certificate.

Signature.....
(Accounting Officer)

Date.....

Signature.....
(Ministry Accountant)

Date.....

No. 2

*The Minister for Foreign Affairs of Indonesia to the Secretary of State for
Foreign and Commonwealth Affairs*

*Minister for Foreign Affairs,
Republic of Indonesia.*

Djakarta, 4 July 1972.

Your Excellency,

I have the honour to acknowledge receipt of your Note dated 4 July 1972, which reads as follows:

[As in No. 1]

In reply, I have the honour to inform you that the above proposals are acceptable to the Government of the Republic of Indonesia, who therefore agree that your Note and this reply, together with the Annexes thereto shall constitute an Agreement between the two Governments in this matter which shall enter into force on the date of this reply and shall be known as the United Kingdom/Indonesia Loan Agreement (No. 1) 1972 Project Development.

Please accept, Your Excellency, the assurances of my highest consideration.

ADAM MALIK

[Annexes as in No. 1]