



Treaty Series No. 42 (1973)

# Exchange of Notes

between the Government of the  
United Kingdom of Great Britain and Northern Ireland  
and the Government of Nepal

amending the United Kingdom/Nepal  
1969 (No. 2) Financial Agreement

Kathmandu, 25 April 1972/2 January 1973

[The Exchange of Notes entered into force on 2 January 1973]

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

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**EXCHANGE OF NOTES  
BETWEEN THE GOVERNMENT OF THE UNITED KINGDOM OF  
GREAT BRITAIN AND NORTHERN IRELAND AND THE  
GOVERNMENT OF NEPAL AMENDING THE UNITED  
KINGDOM/NEPAL 1969 (No. 2) FINANCIAL AGREEMENT**

No. 1

*Her Majesty's Ambassador at Kathmandu to the Secretary, Ministry of  
Finance of Nepal*

*British Embassy,  
Kathmandu.*

*25 April 1972.*

Sir,

I have the honour to refer to the Notes exchanged at Kathmandu on 8 August 1969 between the Government of the United Kingdom of Great Britain and Northern Ireland and His Majesty's Government of Nepal constituting the United Kingdom/Nepal 1969 (Number 2) Financial Agreement.<sup>(1)</sup> As a result of the further discussions which have recently taken place between the two Governments, I have to propose that the Agreement shall be amended as follows:

1. In Part A:

In paragraph (1) after the word "construction", there shall be inserted the words "and furnishing"; and "£200,000 (two hundred thousand pounds sterling)" shall be replaced by "£300,000 (three hundred thousand pounds sterling)".

2. In Part B:

(a) In paragraph (3)(d) after the word "construction" there shall be inserted the words "and furnishing".

(b) Paragraph (5) shall be deleted and paragraph (6) renumbered as paragraph (5).

(c) In paragraph (5) (as renumbered) the words "one half of" shall be deleted.

(d) A new paragraph (6) shall be inserted, to read as follows:

"(6) (a) The Government of the United Kingdom shall, on receipt of the certificate referred to in paragraph (4) above, and on receipt of the advice referred to in paragraph (5) above, make payment on one half of the amount shown on the certificate.

(b) The Government of the United Kingdom shall reimburse the Government of Nepal for one half of the amount of payments that it has made in purchasing goods described in paragraph (3)(d) above which are used to furnish the School.

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(<sup>1</sup>) Treaty Series No. 113 (1969), Cmnd. 4207.

Reimbursement will be made by means of requests, accompanied by invoices, submitted by the Government of Nepal to the Government of the United Kingdom.

- (c) Payments made under sub-paragraphs (a) and (b) shall be in sterling in London and paid to the credit of the Government of Nepal at a bank designated by it for the purpose.
- (d) By prior agreement between the two Governments, and in accordance with the recommendations of the architect referred to in paragraph (2) in each particular case, the Government of the United Kingdom may make payments in sterling in the United Kingdom direct to the suppliers of goods referred to in paragraph (3) (d) above which have been wholly produced or manufactured in the United Kingdom. One half of any such payment shall then either
- (i) be deducted from the next payment or reimbursement made under paragraphs (6) (a) or (6) (b) above, or,
  - (ii) in the event of no such payments or reimbursements remaining to be made, be repaid by the Government of Nepal to the Government of the United Kingdom in sterling in London.
- (e) The cumulative total of the sums disbursed or committed by the Government of the United Kingdom in respect of the capital costs of constructing and furnishing the School shall not exceed the sum of £300,000 (three hundred thousand pounds sterling) specified in Part A, paragraph (1) above.”
- (e) In paragraph (7), the table of instalments shall be deleted and replaced by the following :

“ INSTALMENTS

<i>Due</i>	<i>Amount</i>
	£
1st July 1972 ... ..	600
1st January 1973 ... ..	600
1st July 1973 ... ..	1200
1st January 1974 ... ..	1200
1st July 1974 ... ..	1800
1st January 1975 ... ..	1800
1st July 1975 ... ..	2400
1st January 1976 ... ..	2400
1st July 1976 ... ..	3000
1st January 1977 ... ..	3000
1st July 1977 and on the 1st July in each of the succeeding seventeen years ... ..	3700
1st January 1978 and on the 1st January in each of the succeeding sixteen years ... ..	3700
1st January 1995 ... ..	2500 ”

(f) References in the Agreement to the "Ministry of Overseas Development" and to "the Ministry" shall be construed as referring to the Foreign and Commonwealth Office, Overseas Development Administration.

If the foregoing proposals are acceptable to the Government of Nepal I have the honour to propose that the present Note together with your reply in that sense shall constitute an Agreement between the two Governments to amend the United Kingdom/Nepal 1969 (Number 2) Financial Agreement with effect from the date of your reply.

I avail myself of this opportunity to renew to you the assurances of my highest consideration.

T. J. O'BRIEN

No. 2

*The Secretary, Ministry of Finance of Nepal, to Her Majesty's Ambassador  
at Kathmandu*

*Ministry of Finance,  
Kathmandu.*

*January 2nd 1973.*

Your Excellency,

I acknowledge Your Excellency's Note dated 25 April 1972 which reads as follows

[As in No. 1]

I have the honour to inform Your Excellency that the foregoing is acceptable to His Majesty's Government of Nepal, who, therefore, agree that your Note and this reply shall constitute an Agreement between the two Governments amending the United Kingdom/Nepal 1969 (Number 2) Financial Agreement with effect from today.

Please accept the assurance of my highest consideration.

R. P. SHARMA  
*Joint Secretary*