

No. 30593

**REPUBLIC OF KOREA
and
TURKEY**

**Exchange of notes constituting an agreement concerning the
Economic Development Cooperation Fund loan to the
Republic of Turkey. Ankara, 25 May 1993**

Authentic text: English.

Registered by the Republic of Korea on 3 December 1993.

**RÉPUBLIQUE DE CORÉE
et
TURQUIE**

**Échange de notes constituant un accord relatif au prêt du
Fonds de coopération au développement économique à la
République de Turquie. Ankara, 25 mai 1993**

Texte authentique : anglais.

Enregistré par la République de Corée le 3 décembre 1993.

EXCHANGE OF NOTES CONSTITUTING AN AGREEMENT¹ BETWEEN THE GOVERNMENT OF THE REPUBLIC OF KOREA AND THE GOVERNMENT OF THE REPUBLIC OF TURKEY CONCERNING THE ECONOMIC DEVELOPMENT COOPERATION FUND LOAN TO THE REPUBLIC OF TURKEY

I

EMBASSY OF THE REPUBLIC OF KOREA
ANKARA

May 25, 1993

Excellency,

I have the honour to confirm the following understanding recently reached between the Government of the Republic of Korea and the Government of the Republic of Turkey concerning a Korean loan to be extended to the Gaziantep Greater Municipality of the Republic of Turkey with a view to promoting the economic cooperation between the two countries.

1. The Government of the Republic of Korea shall enable the Gaziantep Greater Municipality (hereinafter referred to as the "Borrower") to obtain a loan in Korean Won up to the amount of eleven billion six hundred million Won (W11,600,000,000.-) (hereinafter referred to as "the Loan") from the "Economic Development Cooperation Fund" for the implementation of the Water Supply Network Modernization Project (hereinafter referred to as the "Project").
2. (1) The utilization of the Loan as well as the terms and conditions on which it is made available shall be governed by the provisions of a Loan Agreement

¹ Came into force on 25 May 1993 by the exchange of the said notes.

(hereinafter referred to as the "Loan Agreement") which will be concluded between the Export-Import Bank of Korea (hereinafter referred to as the "Bank") and the Borrower in accordance with the relevant laws and regulations of the Republic of Korea.

- (2) The Loan Agreement will contain, inter alia, the following principles:
 - (a) The repayment period will be twenty (20) years including the grace period of five (5) years.
 - (b) The rate of interest will be four and two tenth percent (4.2%) per annum.
 - (c) The disbursement period will be two (2) years from the date of the signing of the Loan Agreement; and
 - (d) The guarantee for the Loan will be issued by the Government of the Republic of Turkey.
 - (3) The Loan Agreement will be concluded after the Bank is satisfied with its administrative requirements and the implementation program of the Turkish executing agency for the Project.
3. (1) The Loan will be extended to cover payments to be made by the Turkish executing agency to suppliers of eligible source countries under such contracts as may be entered into between them for procurements of goods and/or services required for the implementation of the Project.
- (2) 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.