

No. 30716

**REPUBLIC OF KOREA
and
BANGLADESH**

**Exchange of notes constituting an agreement concerning the
Economic Development Cooperation Fund loan to the
People's Republic of Bangladesh. Dhaka, 27 November
1993**

Authentic text: English.

Registered by the Republic of Korea on 23 February 1994.

**RÉPUBLIQUE DE CORÉE
et
BANGLADESH**

**Échange de notes constituant un accord relatif à un prêt du
Fonds de coopération au développement économique à la
République populaire du Bangladesh. Dhaka, 27 novem-
bre 1993**

Texte authentique : anglais.

Enregistré par la République de Corée le 23 février 1994.

EXCHANGE OF NOTES CONSTITUTING AN AGREEMENT¹ BETWEEN THE GOVERNMENT OF THE REPUBLIC OF KOREA AND THE GOVERNMENT OF THE PEOPLE'S REPUBLIC OF BANGLADESH CONCERNING THE ECONOMIC DEVELOPMENT COOPERATION FUND LOAN TO THE PEOPLE'S REPUBLIC OF BANGLADESH

I

EMBASSY OF THE REPUBLIC OF KOREA
DHAKA

November 27, 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 People's Republic of Bangladesh concerning a Korean loan to be extended to the Government of the People's Republic of Bangladesh with a view to supporting the economic development efforts of the People's Republic of Bangladesh and promoting economic cooperation between the two countries:

1. The Government of the Republic of Korea shall offer a loan up to the amount of ELEVEN BILLION AND SEVENTY TWO MILLION Won (₩11,072,000,000.-) (hereinafter referred to as "the Loan") from the "Economic Development Cooperation Fund" (hereinafter referred to as the "EDCF") to the Government of the People's Republic of Bangladesh for the implementation of the Greater Khulna Power Distribution Project-Phase II (hereinafter referred to as the "Project").

¹ Came into force on 27 November 1993 by the exchange of the said notes.

2. (1) The Loan will be made available by a loan agreement (hereinafter referred to as the "Loan Agreement") to be concluded between the Government of the People's Republic of Bangladesh and the Export-Import Bank of Korea (hereinafter referred to as the "Bank"), as the Government Agency for the EDCF.
- (2) The terms and conditions of the Loan as well as the procedures for its utilization will be governed by the Loan Agreement which will contain, inter alia, the following principles:
 - a) The repayment period will twenty-five (25) years including the grace period of seven (7) years;
 - b) The rate of interest will be two and a half percent (2.5%) per annum; and
 - c) The disbursement period will be thirty-six (36) months from the date of the signing of the Loan Agreement or such as other period as the Government of the People's Republic of Bangladesh and the Bank may agree upon.
3. (3) The proceeds of the Loan will be used to cover payments to be made by the executing agency of Bangladesh to suppliers, contractors and/or consultants of eligible source countries under such contracts as may be entered into between them for procurement of goods and/or services required for the implementation of the Project.
- (2) The 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 People's Republic of Bangladesh shall endeavour to take necessary measures to facilitate activities related to the Project by the nationals of the Republic of Korea and shall assist them in obtaining such services and convenience as may be required to carry out their mission in the People's Republic of Bangladesh.