



Treaty Series No. 85 (1970)

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 (No. 3) Loan Agreement 1970—
Project Development)

Djakarta, 29 August 1970

[The Agreement entered into force on 29 August 1970]

*Presented to Parliament
by the Secretary of State for Foreign and Commonwealth Affairs
by Command of Her Majesty
December 1970*

LONDON
HER MAJESTY'S STATIONERY OFFICE

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**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

*Her Majesty's Ambassador at Djakarta to the
Minister for Foreign Affairs ad interim of Indonesia*

*British Embassy,
Djakarta,*

Your Excellency,

29 August, 1970.

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 Your Excellency that the Government of the United Kingdom are prepared to conclude an Agreement with the Indonesian Government in the following terms. The position of the Government of the United Kingdom with regard to the provision of finance and the commitment of that Government and of the Government of the Republic 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 the Republic of Indonesia by way of an interest-free loan a sum not exceeding £750,000 (seven hundred and fifty thousand pounds sterling) for the purposes of general development approved during the period 1st of April, 1970 to 31st of March, 1971.
- 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 the Republic 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 the Republic of Indonesia and drawings from the loan shall be applied subject to paragraph (4) of this Note to payments and reimbursements for 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 the 31st of March, 1971, 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 the 31st of March 1971.

- (3) (a) For the purpose of these arrangements the Government of the Republic 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 the Republic 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 the Republic 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 Authorities, Payment Orders and Requests for Drawing hereinafter provided and shall furnish a specimen signature in duplicate of each such officer.
- (c) The Government of the Republic of Indonesia shall ensure that the Crown Agents forward to the Government of the United Kingdom monthly a statement of receipts to and payments from the Account.
- (d) Unless the Government of the United Kingdom otherwise agree, payments into the Account shall not be made after the 31st of March 1971.
- (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 the Bank in the United Kingdom designated by the Government of the Republic 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:
- (i) provides for payment in sterling to persons carrying on business in the United Kingdom; and
- (ii) is approved on behalf of the Government of the Republic of Indonesia and accepted by 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 the 31st of December 1970.
- (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 in connection with this loan; or
 - (ii) the Bank designated by the Government of the Republic of Indonesia in respect of the letter of credit referred to in subparagraph (a) of this paragraph;
- (c) for reimbursing the Government of the Republic 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 projects 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 the Republic 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 project in respect of:
 - (i) the purchase of goods wholly produced or manufactured in Indonesia; and
 - (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; and
 - (iii) subject to the prior approval in writing of the Government of the United Kingdom, the cost of services rendered by staff working for the Government of the Republic of Indonesia or a public or statutory body on an approved 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 the Republic of Indonesia for payments made to statutory corporations within Indonesia towards the cost of a project approved by the Government of the United Kingdom;
- (f) for reimbursing the Government of the Republic 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 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 the Republic 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 the Republic of Indonesia whether their proposal to allocate part of the loan to a project is approved the amount of the loan approved and any special conditions attached to such approval. If the project has not previously been agreed between the Government of the Republic of Indonesia and the Government of the United Kingdom, the approval of the Government of the United Kingdom to a proposal under this sub-paragraph shall constitute the agreement of the 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 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 or 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) (a) Where a project has been agreed and the Government of the Republic of Indonesia propose that part of the loan shall be applied to a contract, that Government or the Crown Agents on their behalf shall ensure that there are forwarded at the earliest opportunity to the Government of the United Kingdom:
- (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; and
 - (iii) in other cases, through the British Embassy in Djakarta, details of the transaction and such information additional to that provided under paragraph (5) (a) and where applicable paragraph (6) as the Government of the United Kingdom may request.
- (b) The Government of the Republic of Indonesia or the Crown Agents on their behalf shall ensure that the Government of the United Kingdom are informed if at any time an agreed project or a contract or transaction (being a contract or transaction in respect of which documents have been forwarded in accordance with the foregoing provisions) is amended, or if liability is incurred or is to be incurred thereunder to a greater or lesser amount than the amount specified in the relevant documents so forwarded, and in any of these cases the Government of the Republic of Indonesia or the Crown Agents acting on their behalf shall ensure that there are forwarded as soon as possible to the Government of the United Kingdom the relevant supplementary or revised documents.
- (8) (a) After the Government of the United Kingdom have considered the documents forwarded, in pursuance of the procedure described in paragraph (7) of this Note, and any additional information which it may request from the Government of the Republic of Indonesia or the Crown Agents for this purpose (and which that Government or the Crown Agents shall then supply), the Government of the United Kingdom shall notify that Government or the Crown Agents whether and to what extent they accept a contract or transaction as eligible for payment or reimbursement from the loan. Notification in respect of contracts forwarded in accordance with paragraph (7) of this Note shall be sent to the Crown Agents in the form set out in Annex C (i) to this Note whether and to what extent the Government of the United Kingdom accept that a contract is eligible for payment from the loan.

(b) to the extent that the Government of the United Kingdom so accept a contract or transaction and agree to payment from the Account, they shall, on receipt of a request from the Crown Agents on behalf of the Government of the Republic of Indonesia, in the form set out in Annex C (ii) to this Note, giving details of the payment due and about to be made, 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, for retention by the Government of the United Kingdom, or
- (ii) the invoices only (for retention by the Government of the United Kingdom) 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 one contract excluding the sterling bank charges, commission, 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 the notification in the form set out in Annex C (i) hereto; and

(bb) the Crown Agents shall forward to the Government of the United Kingdom the relevant Payment Certificates and invoices immediately when such payments have been made (together with a Payment Authority) in the form shown in Annex D hereto; and

(cc) where the amount shown in paragraph 5 or 6 of the Contract Certificate relating to that contract is exceeded the Government of the Republic of Indonesia at the request of the Government of the United Kingdom shall pay an amount equal to the difference into the account; and

(dd) Photocopies or duplicates of invoices may be submitted instead of the originals for the purposes of this sub-paragraph.

(b) For payments and reimbursements to which sub-paragraph (4) (b) of this Note refers the Crown Agents shall debit the Account and inform the Government of the United Kingdom of the amounts so debited; and

(c) For reimbursements to the Government of the Republic of Indonesia in the cases to which 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 (i) hereto duly signed on behalf of that Government and countersigned by the Government of the United Kingdom. Such Payment Order shall be forwarded in duplicate to the Government of the United Kingdom for countersignature 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 consultants 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 the Republic 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 (ii) 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 countersignature and shall be accompanied by a claim from the Government of the Republic 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 the Republic 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 the Republic 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 the Republic 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) (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 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 the Republic 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>		£
1st February, 1978 and on the 1st February in each of the succeeding 17 years	... ..	21,000
1st August, 1978 and on the 1st August in each of the succeeding 16 years	... ..	21,000
1st August, 1995	... ..	15,000

- (14) Notwithstanding the provisions of paragraph (13) of this Note, the Government of the Republic 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 the Republic of Indonesia shall permit officers of the British Embassy in Djakarta and other servants or agents of the British Government 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 is acceptable to the Government of the Republic of Indonesia, I have the honour to propose that the present Note and its Annexes together with Your Excellency's reply in that sense shall constitute an Agreement between the two Governments which shall enter into force on the date of your reply and it shall be known as the United Kingdom/Indonesia (No. 3) Loan Agreement 1970—Project Development.

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

H. C. HAINWORTH,
Her Britannic Majesty's Ambassador

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 (No. 3) Loan 1970

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 £750,000 (seven hundred and fifty thousand 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 (No. 3) Loan, 1970, 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 forms shown in Annex C (ii) to the Agreement between Her Britannic Majesty's Ambassador in Indonesia and the Government of the Republic of Indonesia dated 29th August, 1970 (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. Payments from the Account are to be made only in respect of the payments 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 will supply the Government of the United Kingdom as soon as possible with a copy of any contract or notification of contract and of any amendment thereto as provided in paragraph B (7) of the said Agreement. The Government of the United Kingdom will inform you in writing whether and to what extent it agrees that payments can be made out of the Account in respect of such contracts. You will also supply the Government of the United Kingdom with any additional information that it may require to enable it to satisfy itself that payments due under a contract may properly be debited to the Account.

6. You are to send to the Government of the United Kingdom at the end of each month a detailed statement showing all debits and credits to the Account during the month.

7. 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 Payment Authorities and Requests for Drawing on behalf of the Government.

8. Specimen signatures of the officers authorised to countersign Payment Authorities on behalf of the Government of the United Kingdom will be sent to you direct.

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

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

Yours faithfully,

ANNEX B

United Kingdom/Indonesia (No. 3) Loan, 1970

NOTIFICATION OF CONTRACT

To: The Government of the United Kingdom

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:

Date.....

Signed on behalf of the Government of the Republic of Indonesia

ANNEX C

ODM Acceptance No.

United Kingdom/Indonesia (No. 3) Loan, 1970

CONTRACT CERTIFICATE

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 and 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 in 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 engineers charges, etc.).....
- (b) Local contractor.....
8. Qualifying remarks as necessary in respect of paragraphs 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 purpose 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 by the Government of the United Kingdom

FOR OFFICIAL USE ONLY				Payments			
Name or number of Project.....				Date	Amount	PA No.	Initials
				Amount Committed	Date of Entry	Acceptances	
Date	Initials						
£							

ANNEX C (CHEMICALS)

United Kingdom/Indonesia (No. 3) Loan, 1970

CONTRACT CERTIFICATE FOR CHEMICAL AND ALLIED PRODUCTS ONLY

1. Date of Contract..... Contract Number.....

2. Description of Product(s) to be supplied to Purchaser	Price £	United Kingdom Tariff Classification No.	Is the product of United Kingdom Origin?
(Note A)		(Note B)	(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 of "United Kingdom origin" if made *either* wholly from indigenous United Kingdom material *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 1 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 Loans Administration Section, Finance Department, Ministry of Overseas Development, Eland House, Stag Place, 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 (No. 3) Loan, 1970

Ministry Contract No.

We are pleased to inform you that we accept

We regret to inform you that we cannot accept the Contract, particulars of which are set out in the copy certificate attached hereto, as eligible for payment from the above-mentioned loan to the extent of £

Would you please ensure that the above Ministry contract number is quoted on all payment documents and correspondence relating to this contract.

Date.....

.....
Signed on behalf of the Government
of the United Kingdom

ANNEX C (ii)

United Kingdom/Indonesia (No. 3) Loan, 1970

REQUEST FOR DRAWING

The following payments are expected to fall due under contracts accepted under the terms of the above-mentioned loan:

Name and address of Beneficiary	Contract No.	Date payment is due	Amount £

The amount available in the Special Account to meet the above payments is £ and a further payment into the Account of £ is hereby requested.

The sum of £ now requested shall on payment into the Account constitute a drawing on the loan.

Date.....

.....
Signed on behalf of the Government
of the Republic of Indonesia

To: The Government of the United Kingdom

ANNEX D

United Kingdom/Indonesia (No. 3) Loan, 1970

PAYMENT AUTHORITY

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

To: The Government of the United Kingdom
Serial No.

Dear Sir,

..... ACCOUNT

I have to inform you that the following payments have now been made. No doubt you will inform us if any of these payments are unacceptable as a charge against Loan Funds.

Name and address of Beneficiary	Contract No. or Invoice Reference	Amount

Date.....

.....
Signed on behalf of the Crown Agents
for Oversea Governments and
Administrations acting on behalf of
the Government of the Republic of
Indonesia

Date.....

.....
Countersigned on behalf of the
Government of the United Kingdom

ANNEX D (i)

United Kingdom/Indonesia (No. 3) Loan, 1970

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 undermentioned 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.

Date.....

.....
Signed on behalf of the Government
of the Republic of Indonesia

To: The Government of the United Kingdom
Reimbursement agreed

Date.....

.....
Signed on behalf of the Government
of the United Kingdom

ANNEX D (ii)

United Kingdom/Indonesia (No. 3) Loan, 1970

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 £ s. d. () in respect of expenditure incurred on agreed projects in Indonesia.

Date.....

.....
Signed on behalf of the Government
of the Republic of Indonesia

Reimbursement agreed

Date.....

.....
Signed on behalf of the Government
of the United Kingdom

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

ANNEX E

United Kingdom/Indonesia (No. 3) Loan, 1970

PAYMENT CERTIFICATE

I hereby certify that:

- (i) The payment 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 the 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 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 (No. 3) Loan, 1970

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 project 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	...	...	...	...	...	...	x	x

B. *Other costs*

Previous total	...	...	...	...	...	...
Amount now certified	...	...	...	...	...	...
							x	x

Total Certificate Expenditure

Signed

Name of Consultants

.....

ANNEX G

GOVERNMENT OF THE REPUBLIC OF INDONESIA

United Kingdom/Indonesia (No. 3) Loan, 1970

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>Local cost expenditure</i>	<i>Imports from Britain</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)	
(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 certificates.

Date.....

Signature.....

(Accounting Officer)

Date.....

Signature.....

(Ministry Accountant)

No. 2

*The Minister for Foreign Affairs ad interim of Indonesia to
Her Majesty's Ambassador at Djakarta*

Djakarta,

29th August, 1970.

Your Excellency,

I have the honour to acknowledge receipt of Your Excellency's Note dated 29th August, 1970 which reads as follows:

[As in No. 1]

In reply to the above, I have the honour to inform Your Excellency that the foregoing is acceptable to the Government of the Republic of Indonesia and that Your Excellency's Note and its Annexes and this reply shall be regarded as constituting an Agreement between the two Governments on this matter.

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

OEMAR SENO ADJI

Minister for Foreign Affairs a.i.

[Annexes as in No. 1]

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