



Treaty Series No. 130 (1975)

## Exchange of Notes ✓ HPC

amending the 1973 Financial Agreement  
between the Government of the  
United Kingdom of Great Britain and  
Northern Ireland and the Government  
of the Kingdom of Nepal concerning  
Assistance towards the Construction of  
a Road from Dharan to Dhankuta

Kathmandu, 8/11 July 1975

[The Exchange of Notes entered into force on 11 July 1975]

*Presented to Parliament  
by the Secretary of State for Foreign and Commonwealth Affairs  
by Command of Her Majesty  
October 1975*

LONDON

HER MAJESTY'S STATIONERY OFFICE

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**EXCHANGE OF NOTES**  
**AMENDING THE 1973 FINANCIAL AGREEMENT<sup>(1)</sup>**  
**BETWEEN THE GOVERNMENT OF THE UNITED KINGDOM OF**  
**GREAT BRITAIN AND NORTHERN IRELAND AND THE**  
**GOVERNMENT OF THE KINGDOM OF NEPAL CONCERNING**  
**ASSISTANCE TOWARDS THE CONSTRUCTION OF A ROAD**  
**FROM DHARAN TO DHANKUTA**

No. 1

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

*British Embassy,  
Kathmandu.  
8 July 1975.*

Sir,

I have the honour to refer to the United Kingdom/Nepal 1973 Financial Agreement<sup>(1)</sup> concerning the Dharan-Dhankuta Road project. As a result of the further discussions which have recently taken place between our two Governments I have the honour to propose that the Agreement shall be amended as follows:—

1. Delete the existing paragraph 5 and insert:

“ 5. His Majesty's Government of Nepal shall within twelve months after each Nepalese financial year supply to the Government of the United Kingdom an annual statement in duplicate in respect of the total costs incurred on the project. The annual statement shall show the total grant/loan drawings made and the actual expenditure incurred on the project during the Nepalese financial year just ended and shall contain a certificate that such expenditure was incurred in accordance with the terms and conditions of this Agreement and any subsequent conditions on which the project or transaction was accepted for financing from the grant/loan. Such statements and certificate shall be countersigned by the appropriate Nepalese audit authority.”

If the foregoing proposal is 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 our two Governments. This Agreement and the United Kingdom/Nepal 1973 Financial Agreement shall be read together and be referred to as the United Kingdom/Nepal 1973 Financial Agreement.

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

**M. SCOTT**  
*Ambassador*

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<sup>(1)</sup> Treaty Series No. 9 (1974), Cmnd. 5528.

**GOVERNMENT OF NEPAL**

**United Kingdom/Nepal Financial Agreement dated 25 July 1973**

**ANNUAL AUDITED STATEMENT**

FOR THE NEPALESE FINANCIAL YEAR ENDED.....

Administering Authority: Government of Nepal  
 Project: Dharan-Dhankuta Road  
 Audited Statement for the period ended:

**A. Receipts** £Stg  
(all amounts to be expressed in sterling)

Issued by the United Kingdom Government  
 (a) Brought forward from previous Statements  
 (b) Total during the financial year ... ..  
 (c) Total ... ..

**B. Actual expenditure on the project to which the grant/loan has been applied**

(a) Brought forward from previous Statements  
 (b) Total during the financial year comprising:—  
     Local Expenditure, (Staff, labour equipment, materials etc.) ... ..  
     United Kingdom expenditure (Consultancy fees, equipment, etc.) ... ..  
 (c) Total ... ..

}

Complete as appropriate

**C. Balances**

(a) Over-issued by United Kingdom Government (A(c) minus B(c)) ... ..\*

(b) Under-issued by United Kingdom Government (B(c) minus A(c)) ... ..\*

\* Complete as appropriate

**D. Remarks**

I have examined this statement and I certify that the receipts and expenditure shown thereon are correct. I have no observations to make on this statement.

I certify that the amount received (or that part of it which has so far been expended) has been applied towards the cost of the above-mentioned project and that the conditions on which the grant/loan was approved have been complied with.

Signed .....  
*Principal Auditor*  
 Date .....

Signed .....  
*Ministry of Finance*  
 Date .....

No. 2

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

*Ministry of Finance,  
Kathmandu.*

*11 July 1975*

Your Excellency,

I am pleased to acknowledge your Note dated July 8, 1975 which reads as follows:—

[As in No. 1]

I have the honour to inform you 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 with effect from the beginning of the Nepalese 1973/74 Financial Year. This Agreement and the United Kingdom/Nepal 1973 Financial Agreement shall be read together and be referred to as the United Kingdom/Nepal 1973 Financial Agreement.

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

Yours sincerely,

**B. B. PRADHAN**

Secretary