

Effected by Exchange of Notes
at Seoul July 1, 1972
Entered into force July 1, 1972.

ARRANGEMENT FOR THE ESTABLISHMENT OF KUMOH TECHNICAL HIGH SCHOOL
BETWEEN THE GOVERNMENT OF THE REPUBLIC OF KOREA
AND THE GOVERNMENT OF JAPAN

The Ambassador of Japan to the Minister of Foreign Affairs

Seoul, July 1, 1972.

Excellency,

I have the honour to refer to the recent negotiations held between the Government of Japan and the Government of the Republic of Korea in response to the aid request made by the Government of the Republic of Korea to the Government of Japan concerning the establishment of Kumoh Technical High School (hereinafter referred to as "the School") and have further the honour to propose the following arrangements:

1. The Government of Japan will extend to the Government of the Republic of Korea, in accordance with the relevant laws and regulations of Japan, a grant up to three hundred and ninety four million yen (¥394,000,000), which will be made available during the period between the date of coming into force of the present arrangements and March 31, 1973, unless the period is extended by mutual agreement between the two Governments, in order to provide the School with laboratorial equipments for elementary training and educational materials etc. (hereinafter referred to as the "equipments etc.")
2. The grant will be used by the Government of the Republic of Korea for the purchase of the equipments etc. which will be products of Japan and of services of Japanese people necessary for the transportation to the port the Republic of Korea and the installation of the equipments etc. under such contracts as may be entered into in Japanese yen between Japanese nationals or juridical persons controlled by Japanese nationals (hereinafter referred to as "the Japanese nationals etc.") and the Government of the Republic of Korea or its designated authority.
3. The contracts referred to in paragraph 2 shall be verified by the Government of Japan to be eligible for the grant.
4. The grant will be executed by the Government of Japan making payments in Japanese yen to cover the obligations incurred under the verified contracts by the Government of the Republic of Korea or its designated authority to an account to be opened in the name of the Government of the Republic of Korea in an authorized foreign exchange bank of Japan designated by the Government of the Republic of Korea (hereinafter referred to as the "BANK")
5. The payments referred to in paragraph 4 will be made when payment requests are presented by the Bank under an authorization to pay issued by the Government of the Republic of Korea.

6. The purpose of the account referred to in paragraph 4 is only to receive the payments in Japanese yen by the Government of Japan and to pay to the Japanese nationals etc.

7. The Government of the Republic of Korea will carry out the construction of the School as soon as possible and will take all the necessary measures:

- (a) to bear all the expenses necessary other than those to be borne by the grant for inland transportation, installation and maintenance of the equipments etc. provided by the grant;
- (b) to exempt from customs duties, internal taxes and other similar charges to be imposed in the Republic of Korea with respect to the supply of the equipments etc. and services under the grant;
- (c) to ensure prompt unloading at the port and transportation to the School of the equipments etc. provided by the grant.

8. The Government of the Republic of Korea will inform the Government of Japan of the progress of the construction of the School at the request of the Government of Japan.

9. The procedural details concerning the credit to and the debit from the account referred to in paragraph 4 will be agreed upon through consultation between the Bank and the Government of the Republic of Korea or its designated authority.

10. The two Governments will consult with each other in respect of any matter that may arise in connection with the present arrangements.

I have further the honour to propose that the present Note and Your Excellency's Note in reply confirming on behalf of the Government of the Republic of Korea the above arrangements will be regarded as constituting an agreement between the two Governments which will enter into force on the date of Your Excellency's reply.

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

Torao Ushiroku
Ambassador of Japan

His Excellency
Yong Shik Kim
Minister of Foreign Affairs

The Minister of Foreign Affairs to the Ambassador of Japan.

Seoul, Jly 1, 1972

Excellency,

I have the honour to acknowledge the receipt of Your Excellency 's Note of today 's date which reads as follows:

“..... Japanese Proposal Note”

I have further the honour to confirm the arrangements embodied in the Note and to agree that Your Excellency 's Note and this Note will be regarded as constituting an agreement between the two Governments, which will enter into force on the date of this reply.

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

Yong Shik Kim
Minister of Foreign Affairs

His Excellency
Torao Ushiroku
Ambassador Extraordinary and
Plenipotentiary of Japan