

Exchange of Notes at Seoul September 29, 1977
Entered into force September 29, 1977

**Arrangement between the Government of the Republic of Korea and the Government of
Japan for the Supply of Medical Equipment for the Community Medical Center**

The Ambassador of Japan to the Acting Minister of Foreign Affairs

Seoul, September 29, 1977

Excellency,

I have the honour to refer to the recent discussions held between the representatives of the Government of Japan and the Government of the Republic of Korea concerning Japanese economic cooperation to be extended to the Republic of Korea with a view to strengthening friendly and cooperative relations between the two countries and to propose the following arrangements :

1. For the purpose of contributing to the strengthening of the functions of the Community Medical Center (hereinafter referred to as "the Center") by the Government of the Republic of Korea, 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 six hundred million yen(¥600,000,000) (hereinafter referred to as "the Grant").
2. The Grant will be made available during the period between the date of coming into force of the present arrangements and March 31, 1978, unless the period is extended by mutual agreement between the authorities concerned of the two Governments.
3. The Grant will be used by the Government of the Republic of Korea for the purchase of products of Japan and services of Japanese nationals or Korean physical or juridical persons listed below (The term Japanese nationals whenever used in the present arrangements means Japanese physical persons or Japanese juridical persons controlled by Japanese physical persons.) :
 - (a) medical equipment for the Center; and
 - (b) services necessary for the transportation of the equipment referred to in subparagraph (a) above to ports in the Republic of Korea.
4. The Government of the Republic of Korea or its designated authority will enter into contracts in Japanese yen with Japanese nationals for the purchase of the equipment and the services referred to in paragraph 3. Such contracts shall be verified by the Government of Japan to be eligible for the Grant.
5. (1) The Government of Japan will execute the Grant by making payments in Japanese yen to cover the obligations incurred by the Government of the Republic of Korea or its designated authority under the contracts verified in accordance with the provisions of paragraph 4 (hereinafter referred to as "the Verified Contracts") 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 or its designated

authority (hereinafter referred to as "the Bank").

- (2) The payments referred to in subparagraph (1) above will be made when payment requests are presented by the Bank to the Government of Japan under an authorization to pay issued by the Government of the Republic of Korea or its designated authority.
 - (3) The sole purpose of the account referred to in subparagraph (1) above is to receive the payments in Japanese yen by the Government of Japan and to pay to the Japanese nationals who are parties to the Verified Contracts. The procedural details concerning the credit to and debit from the account will be agreed upon through consultation between the Bank and the Government of the Republic of Korea or its designated authority.
6. The Government of the Republic of Korea will take necessary measures :
- (a) to ensure prompt unloading and customs clearance at ports of disembarkation in the Republic of Korea and internal transportation therein of the equipment purchased under the Grant;
 - (b) to exempt Japanese nationals from customs duties, internal taxes and other fiscal levies which may be imposed in the Republic of Korea with respect to the supply of the equipment and the services under the Verified Contracts;
 - (c) to ensure that the equipment purchased under the Grant be maintained and used properly and effectively for the activities of the Center; and
 - (d) to bear all the expense, other than those to be borne by the Grant, necessary for the transportation and the installation of the equipment purchased under the Grant.
7. The two Governments will consult with each other in respect of any matter that may arise from or in connection with the present arrangements.

I have further the honour to propose that this Note and Your Excellency ' s Note in reply confirming on behalf of the Government of the Republic of Korea the foregoing arrangements shall 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.

/Sgd./
Ryozo Sunobe

His Excellency
Yoon Ha Jong
Acting Minister of Foreign Affairs
Seoul

**The Acting Minister of Foreign Affairs to the
Ambassador of Japan**

Seoul, September 29, 1977

Excellency,

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

“.....

“Japanese Note“

.....“

I have further the honour to confirm on behalf of the Government of the Republic of Korea the foregoing arrangements and to agree that Your Excellency 's Note and this Note shall 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.

/Sgd./

Yoon Ha Jong

His Excellency
Ryozo Sunobe
Ambassador Extraordinary and Plenipotentiary of
Japan to the Republic of Korea