

TREATY ARCHIVES

L 19 7/12

16 April 1970

My dear Minister,

I refer to discussions which have taken place between representatives of our respective Governments concerning the grant of loans by the Government of New Zealand to the Government of Western Samoa. I now propose on behalf of the Government of New Zealand that an agreement be reached between our two Governments in the following terms:

1. The Government of New Zealand will advance to the Government of Western Samoa a loan, which will be a charge upon the public revenues of Western Samoa, of the sum of \$150,000 in New Zealand currency to be applied by the Government of Western Samoa towards the cost of the construction of a new Legislative Assembly building (Waeta Pono) for Western Samoa. The Government of New Zealand welcomes the assurance of the Government of Western Samoa that New Zealand materials will be used wherever economically feasible in the construction thereof.
2. The Government of New Zealand will advance to the Government of Western Samoa a loan, which will be a charge upon the public revenues of Western Samoa, of the sum of \$150,000 in New Zealand currency to be applied by the Government of Western Samoa towards the cost of the Asau harbour project.
3. The terms of the loans described in paragraphs 1 and 2 above shall be 20 years and repayment in each case shall be by 15 equal annual instalments paid by the Government of Western Samoa to the Government of New Zealand in New Zealand currency commencing at the expiration of five years from the date on which each loan, or any part thereof, is advanced by the Government of New Zealand to the Government of Western Samoa.

/4.

Hon. Auaa Pausilla,  
Acting Minister of Finance,  
Apia,  
WESTERN SAMOA

4. Interest on the loans described in paragraphs 1 and 2 above shall be paid by the Government of Western Samoa to the Government of New Zealand in New Zealand currency and calculated in each case at the rate of 5½ percent per annum on the reducing nominal balance rebated to 1 percent per annum for the first three years. Interest shall be calculated as if the sum advanced in the case of each loan were \$130,735, reducing by equal annual amounts of \$8,715.67 over the final 15 years of the loan.
5. Representatives of New Zealand and the Government of Western Samoa will settle to the satisfaction of both Governments, such further terms and arrangements as may be necessary to give effect to this agreement.

If the foregoing provisions are acceptable to the Government of Western Samoa I have the honour to suggest that the present letter and your reply in similar terms should constitute an agreement between our two Governments.

Yours sincerely,

*R.B. Fawcett*

High Commissioner



GOVERNMENT OF WESTERN SAMOA

\*OFFICE OF THE MINISTER OF FINANCE\*

APIA, WESTERN SAMOA

16 April, 1970

My dear High Commissioner,

I refer to your letter of today's date which reads as follows:

"I refer to discussions which have taken place between representatives of our respective Governments concerning the grant of loans by the Government of New Zealand to the Government of Western Samoa. I now propose on behalf of the Government of New Zealand that an agreement be reached between our two Governments in the following terms:

1. The Government of New Zealand will advance to the Government of Western Samoa a loan, which will be a charge upon the public revenues of Western Samoa, of the sum of \$150,000 in New Zealand currency to be applied by the Government of Western Samoa towards the cost of the construction of a new Legislative Assembly building (Maota Fono) for Western Samoa. The Government of New Zealand welcomes the assurance of the Government of Western Samoa that New Zealand materials will be used wherever economically feasible in the construction thereof.
2. The Government of New Zealand will advance to the Government of Western Samoa a loan, which will be a charge upon the public revenues of Western Samoa, of the sum of \$150,000 in New Zealand currency to be applied by the Government of Western Samoa towards the cost of the Asau harbour project.
3. The terms of the loans described in paragraphs 1 and 2 above shall be 20 years and repayment in each case shall be by 15 equal annual instalments paid by the Government of Western Samoa to the Government of New Zealand in New Zealand currency commencing at the expiration of five years from the date on which each loan, or any part thereof, is advanced by the Government of New Zealand to the Government of Western Samoa.

/4.

His Excellency Mr R.B. Taylor,  
High Commissioner for New Zealand,  
Apia,  
WESTERN SAMOA.

4. Interest on the loans described in paragraphs 1 and 2 above shall be paid by the Government of Western Samoa to the Government of New Zealand in New Zealand currency and calculated in each case at the rate of  $5\frac{1}{2}$  percent per annum on the reducing nominal balance rebated to 1 percent per annum for the first three years. Interest shall be calculated as if the sum advanced in the case of each loan were \$130,735, reducing by equal annual amounts of \$8,715.67 over the final 15 years of the loan.
  
5. Representatives of New Zealand and the Government of Western Samoa will settle to the satisfaction of both Governments, such further terms and arrangements as may be necessary to give effect to this agreement.

If the foregoing provisions are acceptable to the Government of Western Samoa I have the honour to suggest that the present letter and your reply in similar terms should constitute an agreement between our two Governments."

I have the honour to inform you that the Government of Western Samoa accepts the foregoing provisions and regards your letter and my present reply as constituting an agreement between our two Governments.

Yours sincerely,

  
ACTING MINISTER OF FINANCE