

## NAM NGUM DEVELOPMENT FUND AGREEMENT, 1966

AGREEMENT, dated this 4th day of May, 1966 between the Governments of AUSTRALIA, CANADA, DENMARK, JAPAN, LAOS, the NETHERLANDS, NEW ZEALAND, THAILAND and the UNITED STATES OF AMERICA and the INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT (the Bank).

WHEREAS the Committee for Coordination of Investigations of the Lower Mekong Basin (Cambodia, Laos, Thailand and the Republic of Vietnam) (hereinafter called the Mekong Committee) operating under the aegis of the United Nations Economic Commission for Asia and the Far East has been conducting a program of surveys of the Lower Mekong Basin in the riparian countries and in the course of such program it has been recognized that the Nam Ngum River in Laos, one of the tributaries of the Mekong, can be developed;

WHEREAS a feasibility study of the development of the Nam Ngum valley in Laos, including the construction of a multi-purpose dam, has been financed by the United Nations Special Fund and by the Government of Japan under its bilateral aid to Laos and has been carried out within the framework of investigations undertaken by the Mekong Committee;

WHEREAS the Mekong Committee has recommended the early construction of the Nam Ngum hydro-electric Project as an integral component of the comprehensive development of the Lower Mekong Basin;

WHEREAS Laos and Thailand have agreed to make arrangements for the inter-connection of the high tension electrical transmission networks of the two countries, initially by means of the construction and operation of a transmission line which would cross their common boundary on the Mekong River;

WHEREAS the United Nations and the Mekong Committee have sought contributions to the financing of the cost of the Nam Ngum hydro-electric Project;

WHEREAS the Government of Japan has agreed to finance the detailed design of the Project under its bilateral aid to Laos;

WHEREAS the Governments of Australia, Canada, Denmark, Japan, the Netherlands, New Zealand and the United States of America have agreed to provide funds, as a grant, for the Project up to twenty-two million eight hundred and fifteen thousand U.S. dollars equivalent and, together with the Governments of Laos and Thailand and the United Nations, have invited the Bank, and the Bank has agreed, to administer the funds so provided; and

WHEREAS Thailand has agreed to supply to Laos cement for the said project for a value equivalent to one million U.S. dollars in exchange for power from the Project;

NOW THEREFORE the Parties hereby agree as follows:

### ARTICLE I

#### *Definitions*

SECTION 1.01. Except where the context otherwise requires, the following terms have the following meanings wherever used in this Agreement:

1. "Bank" means International Bank for Reconstruction and Development.