

PDRAF 051

DEPARTMENT OF STATE
AGENCY FOR INTERNATIONAL DEVELOPMENT
WASHINGTON 25, D. C.

513-L-070

A.I.D. Loan No. 513-L-020
(AID-DIC/P-177)

LOAN AUTHORIZATION

Provided from: Alliance for Progress Funds
CHILE: San Vicente Port

Pursuant to the authority vested in the Administrator of the Agency for International Development (A.I.D.) by the Foreign Assistance Act of 1961, as amended, and the delegations of authority issued thereunder and after consultation with the Development Loan Committee, I hereby authorize the establishment of a loan pursuant to Part I, Chapter 2, Title VI, Alliance for Progress to the Empresa Portuaria de Chile (Borrower) of not to exceed seven million United States dollars (\$7,000,000) to assist in financing the costs of constructing a deep-water port at the northerly end of the Bay of San Vicente, Chile, this loan to be subject to the following terms and conditions:

DP: 604
C/O: 606

1. Interest, Credit Fee and Terms of Repayment:

(a) The Borrower shall repay the loan to A.I.D. in United States dollars within twenty (20) years from the first disbursement under the loan, including a grace period of not to exceed five (5) years. The Borrower shall pay to A.I.D. in United States dollars interest at the rate of no less than two and three-quarters (2-3/4) percent per annum and a credit fee of three-quarters of one (3/4) percent per annum on the disbursed balance of the loan.

(b) If prior to the first disbursement under the loan the Government of Chile (Government) so elects, the Borrower shall fulfill its United States dollar obligations under the loan by paying to the Government the equivalent in the currency of Chile of the United States dollar amounts payable to A.I.D. under (a) above, and, in such event, the Government shall pay to A.I.D.:

(1) the equivalent in United States dollars of all amounts, except interest, paid to the Government by the Borrower as follows:

a. credit fee immediately upon receipt;

	DATE	INITIALS
1. CREDIT FEE	10/28	MLB
2. INTEREST		
3. PRINCIPAL		
4. GOVERNMENT PAYMENT		
5. UNPAID BALANCE		
6. TOTAL		
7. ULTIMATE PAYMENT		
8.		
9.		
10.		

X

b. principal within forty (40) years including a grace period of not to exceed ten (10) years from the date of the first disbursement under the loan;

(2) a credit fee in United States dollars of three-quarters of one (3/4) percent per annum on all amounts of outstanding principal paid by the Borrower to the Government from the respective dates of such payments of principal.

2. Other Terms and Conditions:

- (a) The loan shall be guaranteed by the Government of Chile.
- (b) Equipment, materials and services (except shipping and marine insurance) financed under the loan for the project shall be procured from the United States or Chile.
- (c) United States dollars utilized under the loan to finance local currency shall be made available pursuant to appropriate procedures and shall be used only for procurement of goods and related services in the United States.
- (d) A qualified consulting engineer, satisfactory to A.I.D., will be employed to perform necessary consulting services.
- (e) Prior to initial disbursement, Borrower will select and purchase the site for relocation of La Gloria Village and will submit a schedule acceptable to USAID for the execution of the relocation program.
- (f) Prior to initial disbursement, Borrower will purchase the land selected as the site for San Vicente Port.
- (g) The loan shall be subject to such other terms and conditions as A.I.D. may deem advisable.

/s/ David E. Bell
Administrator

October 28, 1963
Date

2