

Kopie an: - Herrn Botschafter M. Feller, Jakarta
- Herrn Dr. H. Kaufmann, Politische Abteilung II, EPD, Bern
- Herrn A. Glesti, Verwaltungsdirektion, EPD, Bern
- Ja, Hf, Sti, Ih, Schä

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5th March, 1976.

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The Rt. Hon. Julius Chan,
Minister for Finance of
Papua New Guinea
Central Government Offices
Wards Strip
Port Moresby
Papua New Guinea

Dear Mr. Minister,

As you know, the 1976 annual meeting of the Board of Governors of the Asian Development Bank will take place from April 22 to 24 in Jakarta, and I look forward with great pleasure to meet you and all our fellow-governors there.

I remember with particular satisfaction your visit to our capital in February 1974 and the interest expressed at that time by your country to attract foreign investments. In that context it might have been brought to your attention that Swiss parties investing in foreign countries may have recourse to our governmental investment risk guarantee scheme and that the law ruling that scheme provides that the grant of guarantee may depend on the existence of an investment protection agreement with the State in which the investment is to be made. I, therefore, wonder whether your Government might be interested in concluding with Switzerland an "Agreement on the reciprocal promotion and protection of investments" the draft wording of which you will find enclosed.

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Unfortunately, I was out of Switzerland when in January of this year the Rt. Hon. Gavera Rea, Minister for National Development of Papua New Guinea, visited Switzerland with the purpose of creating greater awareness amongst Swiss banking and industrial circles for investment opportunities available in Papua New Guinea. However, I learnt from my colleagues who met the Minister in Zurich that he was given to understand that applications by Swiss investors for the grant of the investment risk guarantee with regard to projects in Papua New Guinea would be given a sympathetic view by the competent Swiss authorities. At the same time, our desire to come to an agreement on the reciprocal promotion and protection of investments was also brought to the Minister's attention. The text I am sending you enclosed serves as a basis for all our worldwide bilateral discussions in this matter. Provided your Government is interested in concluding such an agreement I might arrange my trip to the ADB meeting in a way permitting me to be in Port Moresby in the week starting April 12, 1976. If the enclosed text meets with your approval I might on that occasion sign an agreement or at least initial an agreed text if the latter differs from the enclosed standard draft.

As far as the diplomatic relations between Switzerland and Papua New Guinea are concerned you may know that our Ministry of Foreign Affairs is examining the possibility of accrediting the Swiss Ambassador in Jakarta to Port Moresby. For that purpose, our diplomatic representative in Jakarta has been instructed to take this matter up with your authorities. My

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forthcoming presence in your capital might therefore also provide a useful opportunity to discuss with you the shaping and further development of the relations between our two countries.

An early reply from you giving me your first reaction to my proposal would greatly facilitate the timely planning of my ^{far} East trip. May I therefore ask you for an answer by cable addressed to my name care of

- Telegrams : Politique
 Berne
 Switzerland

- Telex : No. 33'151.

I hope that such a first step of a closer co-operation between our two countries will materialize and thus strengthen the already existing ties between them.

With my best personal regards, I remain,

Yours very sincerely,

sig. Jacobi

Klaus Jacobi
Ambassador
Delegate for Trade Agreements

Enclosure:

Agreement on the reciprocal promotion and protection of investments.