

Base Agreement with respect to the rehabilitation or reconstruction of the Zarumilla Canal's water pipes and related operations Zarumilla Canal Working Group

Base Agreement

I. THE ZARUMILLA Canal ADMINISTRATION

A. General Concepts

1. Through Peru's construction work, and in line with the Aranha Formula, the Zarumilla Canal began to operate in 1947.
2. The passage of time and particularly the extraordinary hydrological events in the area have deteriorated water collection and flow, leading to a situation that requires an unforeseen additional effort, in order to ensure compliance with the Peruvian obligation laid down in the Aranha Formula.
3. The rights and obligations of Peru and Ecuador, with regard to the functioning and operation of the Zarumilla Canal, will be recorded in a Regulation that will establish the future regime of the Canal's management for its flow and the use of its waters, in line with the Aranha Formula.
4. The Regulation that will be agreed upon must take into account the proposals submitted by Ecuador (May 21st, 1997) and Peru (March 5th, 1998). The Regulation will establish a Permanent Binational Commission as the governing and responsible body for the Zarumilla Canal's administration.
5. The item relating to the distribution of the flow rates of water that runs through the Zarumilla Canal has been left pending for the next meeting. Internally, each country will make provisions according to its own laws.
6. For ecological reasons, the minimum amount of flow that will run through the Zarumilla river waters to the sea will be 0.4 m³/s under capacity, when this is possible.

B. Obligations of Peru

Immediate obligations

7. During the damage assessment of existing structures phase, it must study the logistics of improved reconstruction of the current water pipes or construction of new ones, as appropriate, after a technical and economic analysis, and report on the results to Ecuador.
8. During the project, it must submit to Ecuador, so it may give its opinion and suggestions, the studies and designs that are used for the reconstruction of the current water pipes or for the construction of new ones, which in both cases must meet modern relevant requirements (Sand remover, landfills, unloaders, grilles).
9. During the building phase, it must rebuild the current water pipes or build new ones, assuming the related costs and following the designs agreed upon with Ecuador.
10. Incorporate into the water pipes automatic measurement and instantaneous long-distance information transmission systems (water levels and flows), of information captured downstream of the Zarumilla river, with Ecuador's knowledge.

11. Rehabilitate the Zarumilla Canal, at its own expense.
12. Resolve in the Peruvian sector any problems that cause any deviation operations of the Canal waters, especially in Kilometre 2 + 650m, on the Dos Bocas sites.

Mediate and permanent obligations

13. Operate and maintain water pipes- new or improved- in line with what is agreed by the Permanent Binational Commission and with the Rules for the Zarumilla Canal's Management.

The lock-gates will be handled by Peru in compliance with the calendars, schedules decided upon by the Permanent Binational Commission and agreed upon by an Ecuadorian observer.

14. To maintain at its own expense automatic measurement and instantaneous long-distance information transmission systems (water levels and flows) of information captured downstream of the Zarumilla river, with Ecuador's knowledge.

15. Carry out maintenance of the Zarumilla Canal, assuming fifty percent of the work and costs

C. Obligations of Ecuador

Immediate obligations

16. Submit to the Government of Peru its suggestions for studies and designs necessary for the reconstruction of current water pipes or building of new ones.

17. Grant and ensure the necessary facilities for carrying out studies on the Zarumilla River's right-hand bank, upstream of the water pipes.

18. Follow up on the reconstruction of current water pipes or building of new ones.

19. Build, to a standard satisfactory to Peru and Ecuador, any channelling, protection, or other facilities, on the right-hand bank, immediately upstream of the water pipes.

20. Refit handsets to be able to receive data (water levels and flows) captured downstream of the Zarumilla River, from the water pipes and their automatic system.

21. Leave 10 meters on the right bank of the Canal available, and build in that strip a service path

22. Remove the buildings located at the edge of the Canal and stop any dumping of sewage or salty water from waste tanks.

Mediate and permanent Obligations

23. Maintain terminals in Ecuadorian territory used to receive information from automatic measurement and instantaneous long-distance information transmission systems (water levels and flows), captured downstream of the Zarumilla River, from the Peruvian water pipes.

24. Contribute to the maintenance of the Zarumilla Canal, assuming fifty per cent of the work or costs, as well as assuming the full cost of the maintenance of the service road on the right bank.

25. Carry out the maintenance of the water pipes' channelling facilities on its shore and bear the full cost.

D. Joint Obligations

26. Maintain the Canal's path and remove all existing obstacles that will impede the smooth operation of the Canal that may have originated from its settlers' harmful activities and remove all causes of pollution and sand blockages existing on the Canal's path.

27. The two countries will build any separation or deviation facilities that they agree upon to ensure the water-use rights of each.

28. Clean and decontaminate the Canal and its banks.

29. Prepare a Regulation on the basis of the present document, whereby the Permanent Binational Commission for the administration of the Zarumilla Canal has, inter alia, the following responsibilities:

29.1 To annually plan Canal maintenance tasks, on the basis of recommendations contained in the Routine and Exceptional Service Manual that rehabilitation of the Canal requires.

29.2 Annually assign equal budgets for the Canal's maintenance.

29.3 Maintain the Canal by recruiting a private company, preferably a binational one or another option chosen by the Permanent Binational Commission.

29.4 Agree shifts for the use of water, without prejudice toward the fulfilling that discussed in paragraph 5 of this document.

29.5 Delegate within the Binational Commission Permanent the preparation of its own Operating Manual in line with the Regulation to be agreed.

30. Analyze the convenience of extending the Canal coated in concrete, from the International Bridge to the Codo de Hualtaco, approximately 5kms, following the border.

II. MEASURES FOR MANAGING THE ZARUMILLA RIVER BASIN

1. Share the Ecuadorian proposal made in Washington DC on the 18th and 19th of February, 1998, by including this item in the list of projects to be considered by the Integration Commission in charge of formulating a Binational Development Plan for the border region.