08/11/91.- Legislative Decree No. 719.- Enacts the Law on International Technical Cooperation (10/11/91)

WHEREAS:

The Congress of the Republic by Law N° 25327 [T.180, page 127], according to Article 188 of the Peruvian Political Constitution, has delegated the Executive Power the authority to legislate on the establishment of the necessary conditions to facilitate the development of private investment. This development will cover the diverse productive fields of the country, contributing this way to the productive employment and the country's pacification, among other matters;

That, being these aims within the national development outlines, the State is empowered to oversee that the Technical Cooperation provided by the foreign governments and public and private international agencies have to be harmonized with the national and regional development policy;

That, the investment process is fostered and facilitated by actions of international technical cooperation, being its projects a conclusive mechanism for pre-investment, in some cases, and for investment, in others;

That, it is necessary to direct and schedule the international technical cooperation within the framework of the country regionalization process;

That in the country exists the need to accelerate the development process, which claims up to date the international technical cooperation regulations to overcome the legal gap generated;

With the approving vote of the Council of Ministers;

Under the responsibility to report it to the Congress of the Republic;

The following Legislative Decree has enacted:

LAW ON INTERNATIONAL TECHNICAL COOPERATION TITLE I GENERAL PROVISIONS

Article 1.- This Law establishes the general regulations on which the international technical cooperation <u>is grounded</u> arranged through the State agencies and originated in foreign public and/or private sources.

It is the Peruvian State responsibility to keep the Treaties, Agreements and other legal instruments linked to the international technical cooperation with foreign governments, international agencies or institutions concluded within the national legal regulations.

In accordance with:

Supreme Decree No. 015-92-PCM: Art. 1.

Law No. 25327: Art. 1

Article 2.- The International Technical Cooperation is the way by which Peru receives, transfer and/or exchange human resources, goods, services, capitals and technology from cooperative foreign resources whose aim is to complete or to contribute to the national efforts in the development field, addressed to: In accordance with:

Supreme Decree No. 015-92-PCM: Art. 2.

- a) To support the performance of activities and priority projects for the development of the country and its regions, especially those in extreme poverty and in underprivileged socio-economic areas;
- b) To acquire scientific and technological knowledge to be adapted and applied in Peru, as well as to facilitate the acquisition of national scientific and technological knowledge to foreigners;
- c) To provide cultural, scientific and technical training to Peruvian nationals in their own country or abroad, and to foreigners in Peru.

Article 3.- The international technical cooperation is channeled through the agencies of the Public Sectors at its Central, Regional, Local levels as well as Private Sector institutions (officially accepted).

In accordance with:

Supreme Decree No. 015-92-PCM: Art. 51

Article 4.- The responsible agencies of international technical cooperation are:

- a) The Ministry of Foreign Affairs is the responsible to arrange and to make official the international technical cooperation for Peru before foreign governments and the international agencies. This Ministry identifies and compromises the possibilities of technical cooperation for Peru and offers and provides technical cooperation abroad. It also subscribes and concludes cooperation agreements being able to suit to the texts of the agreements drafts prepared for other sectors, with a previous proposal to the National Planning Institute.
- b) The National Planning Institute is responsible to work out the National Policy of the International Technical Cooperation in coordination with the Ministry of Economy and Finance within the framework of the Development National Plans, and the National Program of International Technical Cooperation based on the Regional, Local, and Sectorial Programs. Likewise, it promotes and is in charge to carry out the follow-up of the Projects and the Global Evaluation Program, according to the National Policy of Cooperation.(*)

^(*) At first, Article 1 of the Legislative Decree No. 25648, authorizes the Executive Secretariat of the International Technical Cooperation of the Ministry of the Presidency to assume immediately, the functions, the necessary personnel, goods, documents and financial resources of the National Directorate of International Technical Cooperation of the National Planning

Subsequently by Law No. 27000, published on 26/11/98 it is Institute. transferred to the Office of the President of the Council of Ministers.

- c) The Ministry of Economy and Finance is the institution in charged to negotiate and to evaluate the activities and/or programs of international technical cooperation linked to the foreign indebtedness program of the Peruvian Government.
- d) The Ministries and the Public Decentralized Agencies of central-level, which identify, schedule, execute, supervise, and evaluate the projects with the support of the international technical cooperation corresponding to its scope. coordinating its execution with the Regional Governments.
- e) The Regional Governments identify, schedule, execute, supervise and evaluate the sectorial or multi-sectorial technical cooperation of regional or sub regional impact, within the framework of the regional development policy. In accordance with:

Supreme Decree No. 10-98-PRES: Art. 22. Subsection i.

f) The Local Governments, identify, schedule and execute actions or projects with the support of the sectorial or multi-sectorial technical cooperation of local impact within the framework of the regional development policy.

In accordance with:

Supreme Decree No. 015-92-PCM: Arts. 3, 4 and 5.

Article 5.- The non-governmental organizations officially registered executing projects in ranked areas in the development plans are executor units, responsible to identify and execute actions and/or projects with the support of international technical cooperation, in coordination with the Central, Regional and Local Government, as it corresponds.

In accordance with:

Supreme Decree No. 05-93-PRES: Art. 5. Subsection m.

Supreme Decree No. 015-92-PCM: Art. 3.

Article 6.- The National Science and Technology Council (CONCYTEC) in charge of formulating the policy and the National Improvement Program and Educational Incentives in coordination with the National Planning Institute based on the Regional, Sectorial, Municipal Programs and the beneficiary organizations of the international technical cooperation. It is the responsible to promote and to disseminate, at nation wide, the possibilities, and opportunities of training, improvement, and educational incentives offered by other countries through international technical cooperation.

In accordance with:

Supreme Decree No. 015-92-PCM: Art. 3. and 20.

TITLE II PLANNING, MANAGEMENT, ADMINISTRATION, FOLLOW-UP AND EVALUATION

Article 7.- The planning executed by the Public Sector agencies, is known as the phase for identification, ranking and draw up projects according to the National, Sectorial and Regional development policy within any of the International Technical Cooperation forms. They are responsible of the scheduling of the agencies mentioned in Article 4.

Article 8.- In respect to Management, the Ministry of Foreign Affairs, with the support of the National Planning Institute, negotiate the actions and/or projects with cooperative sources.

In accordance with:

Supreme Decree No. 015-92-PCM: Art. 59.

Management is the execution of projects with the support of technical cooperation, using human resources, goods, services, and/or capitals of international technical cooperation.

In accordance with:

Supreme Decree No. 015-92-PCM: Art. 64.

The Follow-up phase is when the Public Sector Agencies, in charge of the international technical cooperation, supervise the normal fulfillment of the objectives and goals of the project, as well as its operation strategy.

In accordance with:

Supreme Decree No. 015-92-PCM: Art. 66.

The Evaluation of the National Program of International Technical Cooperation responds to the necessity to verify the fulfillment of the objectives and goals of the cooperation projects, as well as the compatibility and coherence with priorities and national and/or regional policies.

In accordance with:

Supreme Decree No. 015-92-PCM: Art. 69.

Article 9.- The Ministry of Economy and Finances, based on the National Policy of International Technical Cooperation, will set out the Budgetary Program involving the commitments assumed by the country as national counterpart in the projects with the International Technical Cooperation. The Budgetary Annual Law will allow its carry out based on the National Program of International Technical Cooperation.

Article 10.- The organizations responsible for the execution of the projects of Non-Governmental Cooperation will design the planning mechanisms, management, administration, follow-up and evaluation within the framework of juridical rules established by the Ministry of Foreign Affairs and the National Planning Institute.

Article 11.- Any request and offering of Technical Cooperation of State

agencies, excepting those referred to the Armed Forces and Peruvian National Police, will be processed according to the present Law. The Ministry of Defence and the Ministry of Internal Affairs will establish their own programs related to the needs of keeping the public order, defense and security of the Nation.

Article 12.- The Ministry of Internal Affairs and the Ministry of Defense will coordinate the security measures required for the normal development of the International Technical Cooperation.

TITLE III INTERNATIONAL TECHNICAL COOPERATION REGISTRYS

Article 13.- The Ministry of Foreign Affairs is in charge of the National Registries of foreign corporations or institutions which will bring support to any of the International Technical Cooperation forms, identified in this Law.

The National Planning Institute is in charge of the National Registry of Non-Governmental Organizations on development receiving international technical cooperation.

The Regional Secretariats of Planning, Budget and Treasury of Regional Governments, are in charge of the Regional Registry of Non-Governmental Organizations of International Technical Cooperation executing projects in their area.

In accordance with:

Supreme Decree No. 015-92-PCM: Art. 70.

TITLE IV FINAL PROVISIONS

FIRST.- The National Planning Institute will work out and submit to the Executive, in a maximum of thirty (30) calendar days as of the day following the publication of this Legislative Decree, the respective Regulation Project, in coordination with the Ministry of Foreign Affairs, the Regional Governments and the National Science and Technology Council (CONCYTEC).

In accordance with: Supreme Decree No. 015-92-PCM : Art. 1.

SECOND.- The Sectorial and Regional Legislation, referring to the international technical cooperation, would be fitted to this Legislative Decree, its regulations and the rules coming from them.

THIRD.- The regulations opposing this Legislative Decree are hereby annulled.

FORTH. This Law will become effective as of the day following its publication.

THEREFORE:

It is hereby ordered that it be published and enforced, and the Congress of the Republic be informed.

ALBERTO FUJIMORI FUJIMORI, Constitutional President of the Republic ALFONSO DE LOS HEROS PEREZ-ALBELA, President of the Council of Ministers, Minister of Labour and Social Promotion.

MANUEL AUGUSTO BLACKER MILLER, Minister of Foreign Affairs.

28/01/92.- SUPREME DECREE No. 015-92-PCM.-Approves the Regulation of Legislative Decree on the Law of International Technical Cooperation. (30/01/92)

WHEREAS:

That according to the first final provision of Legislative Decree N° 719 the National Planning Institute in coordination with the Ministry of Foreign Affairs, the National Science and Technology Council (CONCYTEC), the public sector and the regions of the country, have submitted the draft of the Regulation of the said legal provision concerning International Technical Cooperation; Pursuant to subsection 11), Article 211 of the Political Constitution of the State; With the approving vote of the Council of Ministers;

HEREBY DECREES:

Article 1.- To approve the Regulation of Legislative Decree N° 719 on International Technical Cooperation. This Regulation includes six (6) Titles, eighty-six (86) Articles, four (4) Transitory Provisions, and five (5) Final Provisions.

In accordance with:

Legislative Decree No. 719: First Final Provision.

Law No. 23384: Art. 12. subsection e)

Article 2.- This Supreme Decree will be countersigned by the President of the Council of Ministres and the Minister of Labour and Social Promotion.

ALBERTO FUJIMORI FUJIMORI; ALFONSO DE LOS HEROS PEREZ-ALBELA.

REGULATION OF LEGISLATIVE DECREE No. 719 ON INTERNATIONAL TECHNICAL COOPERATION

CHAPTER I GENERAL PROVISIONS

Article 1.- In this Regulation the public entities and private organizations in charge of the processing of international technical cooperation through and before the State authorities to apply it as support and complement of the specific development plans, programmes, projects or activities, according to the legal provisions in force, are included.

In accordance with:

Legislative Decree No. 719: Art. 1.

Article 2.- The International Technical Cooperation (ITC) is based on the right to development and it is within the framework of the priorities of the short and medium term development plans and it is complementary to national efforts. The International Technical Cooperation is executed as programs, projects and activities with national, sectorial, regional, sub regional and local scope. In accordance with:

Legislative Decree No. 719: Art. 2.

It is understood by:

- Program, means the global agreements of specific or indefinite action that are the result of an understanding between the parties for the mutual development of a set of general objectives, with activities and specific goals.
- Project, means the cooperation agreements well-defined, specific duration and with a budget allotted, required by an organization, specific contracts, and execution system. The contracts specify the goals, the personnel needs, the equipment, the administrative process, and a given account system, of what, has been carried out within the parameters of the objectives to be reached.
- Activities, the defined set of actions, parts of a global program or Project, to reach the established goals on information exchange of experts or technical knowledge during a period of time and subject to periodical reviews.
- **Article 3.-** The legal persons of public and private law mentioned in Legislative Decree No. 719 –Law of International Technical Cooperation, Articles 4, 5 and 6, would use the missions or carry out previous actions to implement programmes, projects and/or activities which require international technical cooperation or for their execution and evaluation.

In accordance with:

Legislative Decree No. 719: Arts. 4, 5 and 6.

Article 4.- The international technical cooperation organizations and institutions created abroad and the Non-Governmental Organizations for development, receivers of international technical cooperation, obtain benefits, exonerations and privileges the legal provisions in force would grant them. Through a

previous process of making them official before the Peruvian government the programs, projects, and/or activities submitted will be granted.

In accordance with:

Legislative Decree No. 719: Art. 4.

Article 5.- In each organization responsible of international technical cooperation mentioned in Legislative Decree No. 719, Article 4, there should be a competent dependence for the management of international technical cooperation of its own area, which shall be transmitted to the National Planning Institute.

In accordance with:

Legislative Decree No. 719: Art. 4o.

Supreme Decree Nº 015-92-PCM: Art. 40

Article 6.- The International Technical Cooperation resources will be executed according its content and purpose, in the following ways:

1) Advice

In accordance with:

Supreme Decree Nº 015-92-PCM: Art. 7

2) Training

In accordance with:

Supreme Decree Nº 015-92-PCM: Art. 8

3) Volunteers Service

In accordance with:

Supreme Decree Nº 015-92-PCM: Art. 9

4) Donations

In accordance with:

Supreme Decree Nº 015-92-PCM: Art. 10

5) Counter value Fund

In accordance with:

Supreme Decree Nº 015-92-PCM: Art. 11

6) Technical Cooperation among Developing Countries (TCDC).

In accordance with:

Supreme Decree Nº 015-92-PCM: Art. 12

Article 7.- The advice is granted or received through highly specialized or highly qualified technicians or professionals for the execution of development programs, projects or activities. These actions are aimed to facilitate the solution of scientific and technological problems, as well as the transference and exchange of knowledge.

In accordance with:

Supreme Decree No 015-92-PCM: Art. 6 a), 13

Article 8.- Training is an educational action of improvement and/or acquisition

of recent knowledge for the specialization of human resources of the country abroad and of foreigners in the country, with the aim to reach an efficient participation in the process of development and it is given through courses and other forms at different levels. The training is integral and permanent. In accordance with:

Supreme Decree Nº 015-92-PCM: Art. 6 2), 19

Article 9.- The Volunteer Service includes non-profit action of professionals and/or technicians collaborating in the execution of programs, projects or activities for development, in which the country allow its participation. In accordance with:

Supreme Decree Nº 015-92-PCM: Art. 6 3), 29

Article 10.- Donation is a free transfer of money, goods or services, issued to the Central, Regional and/or Local Government, as well as the foreign corporations and institutions of International Technical Cooperation and non-governmental organizations for development receivers of International Technical Cooperation, destined to complete a development project. In accordance with:

Supreme Decree No 015-92-PCM: Art. 6 4), 31

Article 11.- The counter value fund are resources based on donation and its monetization, applied to the financing of activities, projects or programs when the aim is to complement and contribute to the national efforts, supporting the execution of priority activities, programs or projects for the development of the country.

In accordance with:

Supreme Decree Nº 015-92-PCM: Art. 6 5), 33

Article 12.- Technical Cooperation among Developing Countries (TCDC) is a horizontal cooperation form based on the solidarity of the countries and a process of co-participation or intentional and voluntary exchange of technical resources, expertise and capabilities, among two or more developing countries allowing to share mutual experiences and generally supported by one Source of International Cooperation resources.

In accordance with:

Supreme Decree Nº 015-92-PCM: Art. 6 6), 38

CHAPTER II FORMS

1. ADVICE

Article 13.- Foreign experts are required to advice in the areas where there are no qualified and available personnel of the country being their duties to give them advice.

In accordance with:

SUPREME DECREE Nº 015-92-PCM: Art. 6 a), 7

Article 14.- The arrival of an expert to Peru is an obligation to the applicant organization to dispose, at least, of a national technician with a competitive level of knowledge as the counterpart during the advising period with the aim to secure the transfer of specialized knowledge, taking the necessary measures for its diffusion and correspondent application.

Article 15.- The experts' period of permanence would be strictly determined by the requirements of the projects where they are involved in. As much as possible their stay must not exceed three years of effective work; including in this period, the opportunities of extension; only the Ministry of Foreign Affairs, as the representative of the Peruvian Government, would ask for an extension of their permanence.

The experts' procedure in the short term, whose rendering of services would not exceed 90 working days, would be regulated by the Ministry of Foreign Affairs in communication with the National Planning Institute for its registration in the National Experts Registry.

Article 16.- The applications for experts should be included in a technical cooperation project or program and must content detailed information about their duties, term requested, counterpart personnel and possible financial and material facilities to be given, except when it is about missions or previous actions necessary for the setting out of a specific program, project or activity.

Article 17.- The executor unit, sponsoring the expert coming to Peru, must confirm to the corresponding responsible agency its official presentation within seven days upon his/her arrival. The said presentation must submit the corresponding written information to the National Planning Institute to be registered in the National Experts Registry so the Ministry of Foreign Affairs, in a similar period, will grant the corresponding visa.

Article 18.- The cancellation of an expert ascription, due to the lack of capability in his/her activities, would be applied to the Ministry of Foreign Affairs by the executor unit and the responsible technical cooperation agencies, with previous sustaining reports of the executor unit and the National Planning Institute.

2. TRAINING

Article 19.- In order to set up the National Improvement Program and Educational Incentives, the regions and the sectors should submit to the National Science and Technology Council (CONCYTEC), the priority lines and training requirements of human resources of its area, which is preeminent for the presentation of the candidates.

In accordance with:

SUPREME DECREE Nº 015-92-PCM: Art. 6 2), 8

Article 20.- After the approval of the National Improvement Program and Educational Incentives, by the National Science and Technology Council (CONCYTEC), and submitted to the International Courses Guidebook

containing the list of regular scholarships, the receptive sectorial or regional responsible unit that will be in charge of the diffusion in its respective area. In accordance with:

Legislative Decree No. 719: Art. 6o.

Article 21.- In each sector, public decentralized unit of Central and Regional Government, a Qualifier Commission will be created and its duty would be to regulate by resolution of the said unit, which will be in charge of the candidates selection with a previous selection process.

The national universities and the research institutions applicants shall be under evaluation and a process of selection by the same institution.

Article 22.- The career public servants with a two-year minimum service period would be the beneficiaries of a scholarship, being on leave without pay till a two-year maximum period provided that its attendance to the course is considered fundamental within the institutional training plans for development.

Article 23.- From the moment the public servant applies for a scholarship he/she must commit himself/herself in written with the warrantor to continue working for the State for a period of time equivalent to that of the course, in case he/she would be selected. If the training period would be of three to six months, the obligatory minimum time will be a year after the course concludes. These obligations are essential conditions to consider him/her as a candidate, as well as all the effects of his/her presentation as an applicant to the course.

The non-fulfillment of his/her obligations during and after the conclusion of the scholarship, determines his/her disqualification to apply to another training actions, as well as the reimbursement of the scholarship cost and his/her wages during this period, in case they were received, in constant quantities without detriment, its case would be considered a disciplinary form.

Article 24.- The recipient of a scholarship would not be able to apply to another until a period of time equivalent to the double of the scholarship granted is elapsed.

Article 25.- The public or private organizations of the country must submit to the National Science and Technology Council (CONCYTEC), in the first trimester of each year, the training offerings the country would have for foreign students, detailing the characteristics of the course, as well as its economic conditions.

The National Science and Technology Council (CONCYTEC) will inform such offerings to the National Planning Institute and to the Ministry of Foreign Affairs, to elaborate the Technical Cooperation Supply and Demand Catalogue among the developing countries and to making it official internationally, respectively.

Article 26.- The foreign students who study or receive technical training in the country under the Technical Cooperation Program should notify the Ministry of Education in a basic information form, that would be established in the

International Technical Cooperation Procedure Manual, at his/her arrival to the country.

In accordance with:

SUPREME RESOLUTION No 450-84-RE: International Technical Cooperation Procedure Manual

Article 27.- The scholarships considered in the on-going programs or projects are granted according to the reference terms existing in them. CONCYTEC will have the information about the designation of the recipient of a scholarship.

Article 28.- Personnel representing an institution invited to an international competition, of three or less months term, would not be under the regulation specified for the recipient of a scholarship.

3. VOLUNTEER SERVICE

Article 29.- The Volunteer Service is under the priorities established in the Development Plans and limited to the areas where the need of personnel to contribute to the national development exists. According to the Project characteristics, the executor unit would appoint or would not appoint a counter part national personnel.

In accordance with:

SUPREME DECREE Nº 015-92-PCM: Art. 6 3), 9

Article 30.- Likewise, the Volunteer Service is under the regulations established in Articles 15 to 18 of these Regulations, as it is applicable.

4. DONATIONS

Article 31.- The applications for donations to the Central, Regional and Local Governments as well as those for private institutions and for International Technical Cooperation must be included in a program or project in turn, ultimately, is part of the Technical Cooperation National Program. The applications must contain detailed information on its objective, the mediate way as well as the responsibilities of its administration and the ways of its use with the aim to use the customs benefits and exonerations as much as the easiness procedures to clear customs, according to the regulations in force.

In accordance with:

SUPREME DECREE Nº 015-92-PCM: Art. 6 4), 10

Article 32.- The donations not foreseen in a program or project as well as those as a result of a catastrophe or act of God, are priority donations by exception and are not subject to terms. The International Technical Cooperation Manual of Procedures will detail the specific process.

In accordance with:

SUPREME RESOLUTION No 450-84-RE: International Technical Cooperation Manual of Procedures

5. COUNTER VALUE FUNDS

Article 33.- The counter value funds are created by an instrument of understanding between a donor source and the Peruvian government. In this instrument the goods and/or services that are sold and/or leased at the national market prices and are monetized to generate a fund and the period of time in which the said amount have to be reimbursed are specified. In accordance with:

SUPREME DECREE Nº 015-92-PCM: Art. 6 5), 11

Article 34.- Two types of counter value fund would be established:

- a) General Counter value Funds, gather the whole monetization, and approve the applications of priority projects in Technical Cooperation National Program. This type of Fund headed by a Board of Directors of representatives of the National Planning Institute, Ministry of Foreign Affairs and of the Donor Source, which is the head of it.
- b) Specific Counter value Fund collects part of the monetization of a donation. This Fund headed by a Board of Directors of representatives of the promoter institution, which would be from the public or private sector and is headed by the National Planning Institute, the Ministry of Foreign Affairs and the Donor Source. It has to administrate the Fund as well as to analyze, give priority and approve the applications identified from those of the Technical Cooperation National Program.

The Board of Directors, at the President's proposal, will designate the Executive Secretariat responsible to execute, supervise, and evaluate the programs and/or projects identified, approved, and scheduled by the Board of Directors.

Article 35.- The establishment of the Counter value General Fund will begin through an Memorandum of Understanding between the Donor Source, the Ministry of Foreign Affairs and the National Planning Institute.

For the establishment of a Specific Counter value Fund the National Planning Institute appoints the Promoter Institution and undersigns an Agreement with it, establishing the object of the Fund, the persons who are in the Board of Directors, the period of time in which the total amount allotted has to be completed, its administration and effect.

Article 36.- For its administration, the Counter value Fund must open a Bank Account in Peru, in national or foreign currency.

The Counter value Fund will designate, at least 15% of the total amount received for compensation and social development projects.

- **Article 37.** For all the administration effects, the Counter value Fund, is as a general rule, subject to the juridical regulations of International Technical Cooperation and in the specific, to the Memorandum of Understanding which is its juridical origin.
- 6. TECHNICAL COOPERATION BETWEEN DEVELOPING COUNTRIES

Article 38.- The Technical Cooperation activities, projects or programs among Developing Countries would involve different levels of cooperation:

- Bilateral, on the country-to-country basis
- Sub regional
- Regional
- International
- Global

In accordance with:

SUPREME DECREE Nº 015-92-PCM: Art. 6 6), 12

Article 39.- The activities of the Technical Cooperation among Developing Countries are carried out within the frame of international agreements, through any of the types of International Technical Cooperation in the three modalities mentioned in Article 2. of these Regulations.

CHAPTER III PROGRAMMING, ARRANGEMENT, ADMINISTRATION, FOLLOW-UP AND EVALUATION

Article 40.- The units responsible of the International Technical Cooperation shall fit their administrative acts to these Regulations and others derived from it. In accordance with:

Legislative Decree No. 719: Art. 4

SUPREME DECREE Nº 015-92-PCM: Art. 5

- **Article 41.** The promoters of the International Technical Cooperation projects are public and/or private organizations legally known, which identify and apply for the cooperation requirements through the responsible units of the International Technical Cooperation correspondent.
- **Article 42.-** The applications for Technical Cooperation submitted by the cooperation projects promoters are evaluated by the responsible units of the correspondent level.
- **Article 43.** The executor unit of the programs, projects and/or activities involved with the International Technical Cooperation is the private or public unit which has institutional competence and suitability for the execution of the Programs or Projects. The scope and limits of the executor unit responsibilities as well as the scope and limits of the head of the project are in the International Technical Cooperation Manual of Procedures.

An executor unit proposed in the application of the project must be ratified through negotiation with the cooperating source to which it is submitted without reducing its efficiency and right of initiative.

The corporations and organizations of the International Technical Cooperation abroad are Executor Units when in the respective, public or private agreement the commitments are specified based on which the programs, projects and or activities will be directly executed.

In accordance with:

SUPREME RESOLUTION No 450-84-RE: International Technical Cooperation Manual of Procedures

Article 44.- Annually, the Ministry of Economy and Finances consolidates the Budgetary Program "Counterpart for the Projects of International Technical Cooperation of the National Public Sector", originated at the requests of counterparts of those programs, projects and/or activities according to international instruments involving the commitments assumed by the country, in the application forms of the Technical Cooperation projects.

The regions and the sectors establish this International Technical Cooperation budgetary program and the timely execution of the national counterpart guaranteed by the Executor Units of the approved projects.

Article 45.- The Budgetary Program "Counterpart for the Projects of International Technical Cooperation of the National Public Sector", is part of the information diffused by the diverse Programs of Technical Cooperation of the country, on the commitments assumed in the Projects Applications of Technical Cooperation of the last year to the Budgetary Annual Law where it is. The National Planning Institute and the Ministry of Economy and Finances submit the information within the time limit established by the drawing up of the Annual Budget of Public Sector according to the correspondent guidelines of the General Bureau of Public Budget. A special form made up jointly by the National Planning Institute and the Ministry of Economy and Finances detailed in the International Technical Cooperation Manual of Procedures shall be used to submit the information.

In accordance with:

SUPREME RESOLUTION No 450-84-RE: International Technical Cooperation Manual of Procedures

Article 46.- The Ministry of Economy and Finances in coordination with the National Planning Institute is the unit responsible and competent to negotiate and evaluate the programs, projects and/or activities involving the International Technical Cooperation and which are linked to the government's foreign indebtedness program and in turn are integral part of the Technical Cooperation National Program.

1. PLANNING

Article 47.- As of the National Development Plans, the National Planning Institute in coordination with the Ministry of Economy and Finances, would establish within the frame of National Priorities, those of International Technical Cooperation, those of ranked programs, projects and activities which involve International Technical Cooperation with the aim to incorporate them to the Technical Cooperation National Program. Concerning planning, the needs of development have preeminence to the operative capacity.

Article 48.- The organizations responsible of the Planning are;

- a. The National Planning Institute is in charge of the setting up of the International Technical Cooperation National Program based on the Regional, Sectorial and University Programs, as well as the applications of the central organizations, which are not included in those Programs within the framework of priorities included in the development plans.
- b. The central Planning Agencies of the Ministries or Decentralized Public Agencies or those specific appointed by their own laws of organization and functions, for the sectorial-national projects, which have to be previously coordinated with the Regional Governments, when those are involved.
- c. The Regional Secretariats of Planning, Budget, and Treasury of the Regional Governments for the interregional, regional, and sub regional projects drawing up the Regional Program of International Technical Cooperation.
- d. The Municipalities, for the Local Government Projects of each one of its districts set up by the Local-Provincial Program.
- e. The National Board of University Presidents for the Projects of the Universities of the country set up by the Peruvian University Program.
- f. The National Science and Technology Council (CONCYTEC) in charge to draw up the National Training Program and Educational Incentives.
- **Article 49.** The Regional Secretariats of Planning, Budget and Treasury identify, analyze and grant priority to the International Technical Cooperation programs or projects applications working within the region and coordinating the Local-Provincial Programs of its area. To this aim, it is necessary to incorporate everything to the International Technical Cooperation Regional Program annually approved by the Regional Assembly through a regional resolution and then submitted to the National Planning Institute.
- **Article 50.** The Local-Provincial Governments identify, analyze, give priority and plan the application forms of programs, projects and/or activities working within the Local Governments of the Province. The Local-Provincial Program will be annually approved through the vote of the provincial council and submitted to the Regional Planning, Budget and Treasury Secretariat.
- **Article 51.** The respective Planning Sectorial Organization identifies, analyzes, gives priority and channels the applications of programs, projects and/or activities involving International Technical Cooperation working in its areas, including the applications submitted by the Decentralized Public Organizations corresponding to the Sector and which are incorporated to the International Technical Cooperation Sectorial Program. A Ministerial Resolution submitted to the National Planning Institute will annually approve this Program. In accordance with:

Legislative Decree No. 719: Art. 3.

Article 52.- Each University would elaborate the applications involving

International Technical Cooperation based on the region development priorities within the National Board of University Rectors, giving priority and channeling the applications of programs, projects and/or activities involving the International Technical Cooperation of Universities incorporating them in the University Program. This Program approved annually by a Resolution of the National Board of University Rectors and submitted to the National Planning Institute.

Article 53.- The application of Non-Governmental Organizations for the Development of Programs, Projects and/or Activities involving International Technical Cooperation and working in the area of a region, are submitted by the Planning, Budget and Treasury Regional Secretariat of the respective Regional Government which after being analyzed and given priority are incorporated to the International Technical Cooperation Regional Program.

The applications of Non-Governmental Organizations for the Development of Programs, Projects, and/or Activities involving International Technical Cooperation and with a national scope are submitted to the corresponding Sector according to its nature. They incorporated to the International Technical Cooperation Sectorial Program after the corresponding analysis and rank.

Article 54.- At the national, regional and local level with the aim to coordinate compatibility with priorities of the development plans and planning forms, and other stage of programs, projects and/or activities involving International Technical Cooperation, the Non-Governmental Organizations on development will harmonize actions with the respective responsible units of the International Technical Cooperation.

Article 55.- The respective unit responsible for planning of programs and/or projects will give technical opinion within a term not exceeding 45 calendar days since the date of reception of the corresponding application.

If the requester corporation has not fulfilled in submitting all the information requested, will receive a notice to proceed to correct the omissions. The application of the corporations not complying with its submission within the time limit of 15 calendar days since the reception the said notice, shall be denied.

If 30 calendar days have been elapsed, demonstrated by the respective reception stamp, as of the submission date of the application or the correction of the omissions pointed out and there would be any communication, the application of the interested organization shall be accepted.

Article 56.- With the Regional and Sectorial Programs of the Technical Cooperation and of the National Board of University Rectors, the applications of the public organizations, not from the Public Administration sector or being from it does not depend of any Sector administratively, the National Planning Institute will harmonize, give priority and draw up the International Technical Cooperation National Program. The applications submitted by emergency or national disaster will be included on time to the said Program.

As exception, applications responding to the national priorities and to be approved by resolution of the chief of executives of the National Planning Institute would be incorporated to the Technical Cooperation National Program.

Article 57.- The programs or projects for defense and national security will be submitted by the executors of these activities directly to the Ministry of Foreign Affairs to be processed.

Article 58.- The International Technical Cooperation National Program will be approved by supreme decree and will be submitted to the Ministry of Foreign Affairs to be processed at the international level.

2. PROCESS

Article 59.- The process begins with the submission of the application to the organization responsible of the program, project and/or activities involving International Technical Cooperation, continues with the cooperating source and ends with the subscription of the Agreement or Exchange of Notes or the refusal of the proposal.

In accordance with:

Legislative Decree No. 719: Art. 8.

Article 60.- With the Cooperating Sources, during the negotiation of applications of programs, projects and/or activities involving International Technical Cooperation are submitted those of the International Technical Cooperation National Program. These applications are the official documents and include the initial terms of reference for each program or project.

Article 61.- During the negotiation of the International Technical Cooperation actions the following instruments are used:

- a) Basic Treaties or Agreements of the Peruvian Government through the Ministry of Foreign Affairs with the Cooperating Source, having a previous technical opinion of the National Planning Institute.
- b) Specific Treaties and/or Agreements of the cooperating source with the promoters organizations of the Project, subscribed under the Base Agreement.
- c) Other legal instruments for negotiation the Ministry of Foreign Affairs esteem convenient.

Article 62.- With each cooperating source, the Peruvian Government negotiate the planning of resources at the disposal of the country for a specific period of time.

The Ministry of Foreign Affairs and the National Planning Institute would review the projects in execution and will submit the new requirements.

3. ADMINISTRATION

Article 63.- The programs, projects and/or activities of International Technical Cooperation will be in force through the Executors Units of the Public and/or Private Sector.

Article 64.- In projects involving International Technical Cooperation, the administration is subject to the national, ordinary and special regulations in force and to those which will be published to improve its efficiency. It is also subject to an internal and external audit.

In accordance with:

Legislative Decree No. 719: Art. 8., 2nd. Paragraph.

4. FOLLOW-UP AND EVALUATION OF PROGRAMS AND PROJECTS

Article 65.- The National Planning System in the national, regional and sectorial areas carry out follow-up actions and programs, projects and/or activities evaluation involving International Technical Cooperation.

The National Planning Institute is empowered to carry out the supervision of these functions.

Article 66.- The agencies responsible for the International Technical Cooperation, national and regional, for the accomplishment of the objectives and goals of the programs, projects and/or activities involving International Technical Cooperation, will carry out the observations and recommendations to their fulfillment and operation strategy.

In accordance with:

Legislative Decree No. 719: Art. 8, third paragraph

Article 67.- The executor units will submit quarterly, to the agency responsible, a report on the advance of the execution of the program, project and/or activity they are in charge.

Article 68.- The National Planning System, at the regional, local, provincial and central level, executes follow-up actions as an obligation, of the Programs (International Technical Cooperation Regional Program - PRCT), (International Technical Cooperation Local-Provincial Program - PLCT), (International Technical Cooperation Sectorial Program - PSCT), (Universities Program of Technical Cooperation - PUCT), as well as of the projects.

Article 69.- The Evaluation of programs and projects is facultative and is accomplished at the request of one of the parties or by the government's decision. The evaluation of the programs will be carried out through one or more of its projects in execution.

Every program, project and/or activity involving International Technical Cooperation, will include the periodicity to be evaluated, having at least a final evaluation. The expansion or extension of a project must have a previous favourable evaluation.

In the programs, projects and/or activities budget involving International Technical Cooperation it must be taken into consideration the amount necessary to cover the expenses of a representative for each governmental organization involved in the follow-up and evaluation processes. In accordance with:

Legislative Decree No. 719: Art. 8., 4th. Paragraph.

CHAPTER IV CORPORATIONS AND INSTITUTIONS OF INTERNATIONAL TECHNICAL COOPERATION AND NON-GOVERNMENTAL ORGANIZATIONS FOR DEVELOPMENT

Article 70.- It is named "Registry of Organizations and Institutions of International Technical Cooperation" (ENIEX) established abroad, to the National Registry which for those legal persons having constitutive character in Peru. With the aim to develop its activities within the national territory and to be subject to the duties and rights, the Peruvian law recognized them in respect to the International Technical Cooperation. The Ministry of Foreign Affairs is in charge of the Registry.

The characteristics of these legal persons is to support, finance and/or eventually execute Agreements, actions for development in programs, projects and/or activities involving International Technical Cooperation, as customary or eventual in the country according to Legislative Decree No. 719. In accordance with:

Legislative Decree No. 719: Art. 13.

Article 71.- In order to request its registration in the Registry of the Ministry of Foreign Affairs, a corporation or institution of International Technical Cooperation must previously Registry its establishment abroad to the Peruvian Public Registry. The non-fulfillment of what is set forth nulls the acts and activities to carry out in the country.

Article 72.- To request its registration in the Registry of Organizations and Institutions of International Technical Cooperation of the Ministry of Foreign Affairs, it is necessary to submit the following information and documents:

- By-laws with aims and objectives, and approval by the Peruvian diplomatic representation and with the official translation into Spanish, if it is applicable.
- Certified true copy of its Registry in Peruvian Public Registry, issued no longer than three months calendar.
- Full name of the representative and the personnel living in the country, profession, post, legal address, identity document, legal and postal address of the organization or institution.
- Complete information on programs, projects, and/or activities for development pointing out the executor units as well as the foreseeable resources and the source of the funds for two years, starting after the submission of the documents.

Article 73.- "Non-Governmental Organizations for development Registry of International Technical Cooperation (ONGD-PERU)" established in Peru, is named the Registry for those legal persons with constitutive character and nation wide. This Registry is in charge of the National Planning Institute and at regional level by the Planning Regional Secretariats and for each region, for the respective Planning, Budget, and Treasury Regional Secretariats.

The characteristic of those legal persons is to be non-profit and to have the aim of carrying out actions for development involving International Technical Cooperation in one or more forms pointed out in these Regulations. In accordance with:

SUPREME DECREE Nº 015-92-PCM: Art. 74

Article 74.- To ask for the registration in the Non-Governmental Organizations for development Registry receiving the International Technical Cooperation ONDG-PERU of the National Planning Institute and the Regional Secretariat of Planning, Budget and Treasury concerning, if applicable, it would be necessary to submit two sets of the following information and documents:

- True copy of the articles of association, signed by a Public Notary, including By-Laws, aims and objectives as well as its link to the national priorities.
- Certified literal copy of its Registry in the Public Registry issued no longer than three months calendar.
- Complete Information of the Board of Directors as well as of the associates, including full names and identity document.
- Complete information about the programs, projects, and/or activities to carry out during a term of two years, showing clearly the objectives and goals programmed, beneficiary population, location in the sectorial, regional, and local areas.
- Demonstration of the foreseeable resources from International Technical Cooperation, for a period of two years, indicating the cooperating source, origin country, financed project or activity by month and the annual and total amount estimated in US Dollars.
- Submission of the favorable opinion granted by the same Sector if its operation area is nation wide or from the correspondent Regional Secretariat if it is a region.
- The Legal Postal address information.

Article 75.- The registry in the International Technical Cooperation Registries has an effect of two years with the possibility to be renewable by similar periods of time with the previous annual presentation of the corresponding reports on the activities carried out. It has also mentioned the projects or activities to which the received resources have been allotted for each cooperating source, as well as the up-to-date information for a two years period, on the foreseen activities and the foreseeable resources of International Technical Cooperation, remarking the cooperating sources, board of directors in force, legal address and certified literal copy actualized.

In the case of foreign organizations and institutions of International Technical Cooperation, they also have to submit the accreditation for their work in the country.

The untrue or fraudulent information obtained from the ENIEX or ONGD-PERU about the registries would be subject to sanctions according to the Peruvian Criminal Law.

With a previous harmonization with the representatives of the legal persons

involved, the International Technical Cooperation Manual of Procedures establish the classification for this information, including the only one that could be reached through judicial resolution.

The registration in the Ministry of Foreign Affairs and the National Planning Institute registries grants the set of easiness of exonerations and financial privileges, customs, storage, or another kind granted by Sectorial Registries. The last ones will be in force with respect to the legal persons in medical assistance, social well-being, and educative areas.

In accordance with:

SUPREME RESOLUTION No 450-84-RE: International Technical Cooperation Manual of Procedures

Article 76.- The registry of the ENIEX and ONDG-PERU will be in charge of the responsible organization within a term not exceeding the thirty calendar days as of the date of reception of the application and the corresponding documents. If the requestor organization would not fulfill with the complete submission of the

If the requestor organization would not fulfill with the complete submission of the information requested on this Regulation, it will be noticed to correct the omissions. If the organizations would not fulfill with the correction in a 15 days calendar period after the reception of the said notice, the Registry of such organization would be denied.

If 30 days calendar have elapsed since the submission of the application or the correction of the omissions indicated eventually, accredited by the reception stamp, and there were any opposite order, then the interested organization will be considered as registered.

Article 77.- The Registry document in a jurisdiction of the National Planning System would be attached to the basic information form about the projects or activities to be carried out of the same System but in a different jurisdiction to make possible that a legal person could work in that area.

In order that a corporation or institution registrated in the Ministry of Foreign Affairs would eventually act as an executor unit in the territory of a region it would attach its registration resolution in force in that Registry and fill the form established by the International Technical Cooperation Manual of Procedures. It would also have the previous approval by the Regional Secretariat of Planning, Budget, and Treasury.

In accordance with:

SUPREME RESOLUTION No 450-84-RE: International Technical Cooperation Manual of Procedures

Article 78.- Motives for the cancellation in the International Technical Cooperation Registries and also of the easiness, exonerations and privileges granted for one or more public agencies to ONGD-PERU and ENIEX that alter a verification are included in one of the following cases:

- a) Fraudulent inaccuracy of the information submitted.
- b) Prohibited, non-authorized, or illicit use of easiness, exonerations, immunities, and specific privileges granted or the use of the resources of the International Technical Cooperation.

The sanctions would be applied previous notice and explanation from the legal person concerned.

The non-fulfillment with the submission of the Annual Operative Plan and Report would be the motive for the temporary suspension of benefits and exonerations granted, until the correction of the omissions.

Article 79.- At the registration of the ENIEX, they will bind to the following commitments:

- a) To give support to public or private institutions of the country considering their objectives and resources from abroad according to what is established by the Legislative Decree No. 719 of International Technical Cooperation its Regulation and other complementary rules.
- b) To communicate each January to the Ministry of Foreign Affairs and to the National Planning Institute the corresponding information about the execution and/or conclusion of the projects or programs in which they were cooperating during the previous year. They also have to submit the Annual Activities Plan for the initiated year as well as any modification concerning the representative and/or legal address.

Article 80.- At the registration of the ONGD-PERU, they will bind to the following commitments:

- a) To develop programs or projects in ranked areas included in the plans for development, in short and medium term, at different levels.
- b) To develop mechanisms to obtain the participation of the object-population in the identification, design of objectives, approval and get to know the projects to execute.
- c) To establish coordination levels with the concerned agencies of the National Planning System and with the agencies responsible of the International Technical Cooperation management.
- d) After their Registry and during the first month of each year the ONGD-PERU will submit to the Regional Secretariats of Planning, Budget and Treasury and/or the National Planning Institute, according to its concern, the information on the execution and/or conclusion of the projects and/or programs, divided by financing sources, in which they were cooperating the previous year. They also have to submit the Annual Activities Plan for the starting year as well as any modification concerning the representative and/or legal address.
- **Article 81.-** The representative, experts, voluntaries and an administrative official, according to the case, duly accredited as members of the ENIEX arriving to the country to carry out cooperation actions in a period of time not less than a year counted at the starting of functions will enjoy the privileges granted by the Ministry of Foreign Affairs for such case.

In special cases, the Ministry of Foreign Affairs would grant these privileges to more than one administrative official of ENIEX, at the previous submission of a justified application.

Article 82.- The ONGD-PERU, registrated in the respective Registry, will have

the benefits granted by the legal provisions in force, released by the Peruvian Government to this respect.

- **Article 83.-** The ENIEX and the ONGD-PERU registrated and executing projects in ranked areas of the development national plans, are executor units responsible to identify and execute programs and projects, and/or activities involving the support of the International Technical Cooperation, in coordination with the Central, Regional and Local Government, as it corresponds.
- **Article 84.-** The ENIEX, that by an Agreement with the Peruvian Government, are authorized to operate as Executor Unit, in any of the forms established in this Regulation and in the correspondent areas to the local and regional governments or at the sectorial level, will negotiate according to Article (60) of this Regulation.
- **Article 85.-** The goods acquired by the ENIEX as support to the projects in which they are cooperating, as well as those acquired to be a contribution afterwards, would be considered as their property until the conclusion of the respective projects when they will decide on their final destination and communicating their decision to the National Planning Institute. If this was a donated good to a public or private legal person, the donor should include the donation in its Properties Registry or in its capital assets inventory, as it corresponds, under the responsibility based on the market value, or the estimated by the donor.
- **Article 86.** The public sector agencies would designate as executor unit of one or more projects involving International Technical Cooperation or part of it or them, through a Selection process or Public bidding, one of the ONGD-PERU among those who have fulfilled the requirements of the previous Public Notice or bidding basis.

CHAPTER V TRANSITORY PROVISIONS

- **FIRST.-** The projects executed by the ENIEX and the ONGD-PERU until the publication of this Regulation, will be subject to the previous regulations in everything favorable until December 31st, 1992, dateline to adapt to them.
- **SECOND.** The Regional Corporations for Development would submit their applications directly to the National Planning Institute for projects or programs to obtain International Technical Cooperation.
- **THIRD.-** The Budgetary Program named, "Counterpart for the Projects of International Technical Cooperation of the National Public Sector", Article 44. of this Regulation, will enter into force at the 1993 budget year.
- **FOURTH**.- The legal persons registered as "Private Institutions beneficiaries of the Resources from the International Technical Cooperation in the well-being and cultural areas", in the National Planning Institute under the Supreme Decree No. 010-86-RE, must be accredited within thirty calendar days after the

date of publication of this Regulation, executing everyday programs, projects or activities involving International Technical Cooperation. Those who do not fulfill this requirement will loose their Registry and privileges.

The National Planning Institute will publish the list of ONGD-PERU registered one hundred and twenty days after the publication of this Regulation, and as of that time, the new Registry will start.

The same procedure will be used for Non-governmental organizations of International Technical Cooperation registered in the Ministry of Foreign Affairs.

CHAPTER VI FINAL PROVISIONS

FIRST.- The National Planning Institute, in a maximum time of one hundred and twenty calendar days as of the next day of its publication in the official gazette "El Peruano" will publish, by supreme resolution, the International Technical Cooperation Manual of Procedures, pointing out the regulations for the administration of the International Technical Cooperation.

SECOND.- The institutions of the Catholic Church are not subject to this Regulation by application of what has been subscribed between the Holy See and the Peruvian Government.

THIRTH.- The Counter value Funds will receive from the Ministry of Economy and Finances the reimbursement of the deposit made by the intermediary of the donation, in the monetization act.

FOURTH.- Supreme Decree No. 010-86-RE and Supreme Decree No. 126-91-PCM and all the other regulations opposite to what has been established in this Supreme Decree are derogated.

FIFTH.- This Supreme Decree enters in force as of the next day of its publication in the official gazette "El Peruano".

02-92.- Supreme Decree No. 045-92-EF.- Dictate complementary provisions on the destiny of the resources from the commercialization of goods donated by international agencies to the Peruvian Government.

Supreme Decree published on February 28, 1992

THE PRESIDENT OF THE REPUBLIC

WHEREAS:

Within the framework of the International Cooperation with the Government of Peru some public organizations of the country receive as donation products pertaining to farming and animal husbandry and agro industrial products which must be commercialized to use the resources from such transaction for financing defined projects or programs;

The donation of goods above mentioned from the International Agencies, Governments or Official Governmental Agencies are subject to special conditions, among them, the deposit of the resources from its selling in the special accounts established in each agreement;

After its entering into force the Legislative Decree No. 719 and its Regulation approved by Supreme Decree No. 015-92-PCM, the product of commercialization of the donated goods is the counter value funds whose establishment is effective through Memorandum of Understanding among the Donating Source, the Ministry of Foreign Affairs and the National Planning Institute, under the administrative effects in general by the rules of International Technical Cooperation and in the specific by the Memorandum of Understanding which allows its origin.

That, it is appropriate to enact the regulatory rules to allow the suitability of the agreements, referred to in the first and second whereas clauses, concluded previously to the entering into force of the Legislative Decree No. 719 and Supreme Decree No. 015-92-PCM, to the new juridical framework;

Pursuant to Article 211, subsection 11) of the Political Constitution of Peru;

HERBY DECREES:

Article 1.- To include to Chapter V of the Regulations of Legislative Decree No. 719 –Law on International Technical Cooperation, approved by Supreme Decree No. 015-92-EF, as 5th transitory provision, the following text:

`Fifth.- The resources from the commercialization of food, factors of production, farming and animal husbandry products and/or agro industrial products or for its agricultural use, donated by International Agencies, Governments or Official Governmental Agencies, Foreign Organizations and Institutions of Technical Cooperation, when the beneficiary is the Peruvian Government or any other Peruvian State organizations, with agreements concluded previously to the entry into force of Legislative Decree No. 719, will be deposited in special

accounts established or opened for each case, according to what it is established by the Agreements observing the legal procedure for such donations, subject only to the deductions allowed by them".

Article 2.- This Supreme Decree will be countersigned by the President of the Council of Ministers and the Minister of Labor and Social Promotion and the Minister of Economy and Finances.

MAXIMO SAN ROMAN CACERES, First Vicepresident. Acting Presidential Office. ALFONSO DE LOS HEROS PEREZ-ALBELA CARLOS BOLOÑA BEHR.