

No. 12747

BRAZIL
and
FEDERAL REPUBLIC OF GERMANY

**Protocol on financial co-operation (with exchange of notes).
Signed at Brasília on 31 July 1972**

Authentic texts: Portuguese and German.

Registered by Brazil on 4 September 1973.

BRÉSIL
et
RÉPUBLIQUE FÉDÉRALE D'ALLEMAGNE

**Protocole relatif à la coopération financière (avec échange de
notes). Signé à Brasília le 31 juillet 1972**

Textes authentiques: portugais et allemand.

Enregistré par le Brésil le 4 septembre 1973.

[TRANSLATION — TRADUCTION]

PROTOCOL¹ ON FINANCIAL CO-OPERATION

The Government of the Federative Republic of Brazil and
The Government of the Federal Republic of Germany,

Considering the friendly relations existing between the Federative Republic of Brazil and the Federal Republic of Germany,

Desiring to strengthen and intensify these friendly relations by fruitful co-operation in the field of development assistance,

Being aware that the maintenance of these relations is the basis for the present Protocol, and

Intending to promote the economic and scientific development of Brazil,
Have agreed as follows:

Article 1. (1) The Government of the Federal Republic of Germany shall enable the Government of the Federative Republic of Brazil to obtain a loan not exceeding a total of 20 million Deutsche Mark from the Kreditanstalt für Wiederaufbau (Reconstruction Loan Corporation), Frankfurt/Main, for the purpose of financing the importation from the Federal Republic of Germany of high-quality capital goods for civilian requirements, and of equipment for Brazilian universities.

(2) The Government of the Federal Republic of Germany shall in addition enable the Government of the Federative Republic of Brazil to obtain from the Kreditanstalt für Wiederaufbau, Frankfurt/Main, a loan not exceeding a total of 6 million Deutsche Mark for an irrigation project in the Ico Valley.

Article 2. The utilization of the loans referred to in article 1, and the conditions on which they will be granted, shall be governed by contracts to be concluded between the borrower and the Kreditanstalt für Wiederaufbau; the said contracts shall be subject to the legal provisions applicable in the Federal Republic of Germany.

Article 3. The Government of the Federative Republic of Brazil shall exempt the Kreditanstalt für Wiederaufbau from all taxes and other charges to which it might be subject in the Federative Republic of Brazil on the occasion of the conclusion or execution of the loan contracts mentioned in article 2.

Article 4. With respect to such transport of passengers and goods by sea and air as arises from the granting of the credits, the Governments of the Federative Republic of Brazil and the Federal Republic of Germany shall refrain from taking any measure which might impede the participation of Brazilian and German transport enterprises.

Article 5. The loans referred to article 1 of this Protocol may be used to finance deliveries from or performances by only those countries and territories agreed upon

¹ Came into force on 31 July 1972 by signature, in accordance with article 9.

by the Government of the Federative Republic of Brazil and the Government of the Federal Republic of Germany. The same shall apply to the origin of deliveries and the means of transport used to effect deliveries.

Article 6. Contracts for deliveries and performances relating to projects paid for out of the loan referred to in article 1, paragraph 2, shall be awarded by public tender, unless otherwise decided in individual cases.

Article 7. The Government of the Federal Republic of Germany is anxious that, for deliveries resulting from the granting of the loans referred to in article 1, preference should, in the event of equal or equivalent conditions, be given to products of the industry of *Land* Berlin.

Article 8. With the exception of those provisions of article 4 which refer to air transport, this Protocol shall also apply to *Land* Berlin, provided that the Government of the Federal Republic of Germany has not made a contrary declaration to the Government of the Federative Republic of Brazil within three months from the entry into force of this Protocol.

Article 9. This Protocol shall enter into force on the date of its signature.

DONE at Brasilia on 31 July 1972, in four original copies, two in Portuguese and two in German, all texts being equally authentic.

For the Government
of the Federative Republic
of Brazil:

MARIO GIBSON BARBOZA

For the Government
of the Federal Republic
of Germany:

WOLFGANG WIMMERS

EXCHANGE OF NOTES

I

CHARGÉ D'AFFAIRES A.I.
GERMAN EMBASSY

Brasília, D.F., 31 July 1972

Wi III B4-87.30(99)/451/72

Sir,

I have the honour to refer to article 5 of the Protocol, signed on 31 July 1972 at Brasília, D.F., between the Government of the Federal Republic of Germany and the Government of the Federative Republic of Brazil, on financial co-operation, which reads as follows:

“The loans referred to in article 1 of this Protocol may be used to finance deliveries from or performances by only those countries and territories agreed upon by the Government of the Federative Republic of Brazil and the Government of the Federal Republic of Germany. The same shall apply to the origin of deliveries and the means of transport used to effect deliveries.”

On behalf of the Government of the Federal Republic of Germany, I attach herewith a list of the said countries and territories. At the same time, I wish to point out that article 5 does not affect the traffic between *Land* Berlin and the remaining area of Germany to which this Protocol applies.

I have the honour to propose that this note and your reply signifying the approval of your Government shall constitute an agreement between our two Governments, which shall enter into force at the same time as the above-mentioned Protocol.

Accept, Sir, etc.

WOLFGANG WIMMERS

His Excellency Mr. Mario Gibson Alves Barboza
Minister for Foreign Affairs
of the Federative Republic of Brazil
Brasília, D.F.

List of the countries and territories agreed upon by the Contracting Parties pursuant to the exchange of notes dated 31 July 1972 between the Government of the Federal Republic of Germany and the Government of the Federative Republic of Brazil:

“States members of OECD, Afghanistan, Bangladesh, Bhutan, Bulgaria, Burma, Ceylon, Czechoslovakia, Dominican Republic, Finland, Haiti, Hong Kong, Hungary, India, Indonesia, Iran, Iraq, Israel, Jamaica, Jordan, Khmer Republic, Laos, Lebanon, Malaysia, Nepal, Pakistan, Philippines, Poland, Republic of Korea, Republic of Viet-Nam, Romania, Saudi Arabia, Singapore, Syria, Taiwan, Thailand, Union of Soviet Socialist Republics, Yemen Arab Republic, Yugoslavia, and the countries of South and Central America, Africa and Oceania.”

II

31 July 1972

URGENT

DAI;DPF;DEOC/216/N823.1(B46)(F36)

Sir,

I have the honour to acknowledge receipt of note No. Wi III B4-87.30(99)/451/72 of today's date, which reads in Portuguese as follows:

[*See note I*]

In reply, I would inform you that the Brazilian Government approves the terms of the above note and of the annex thereto, which, together with the present note, shall constitute an agreement between our two Governments, entering into force on the same date as the Protocol.

Accept, Sir, etc.

MARIO GIBSON BARBOZA

Mr. Wolfgang Wimmers
Chargé d'affaires of the Federal
Republic of Germany

[*Annex as under note I*]