

No. 13309

**DENMARK
and
UNITED REPUBLIC OF TANZANIA**

**Agreement on Danish financial assistance to Tanzania
Rural Development Bank. Signed at Dar es Salaam
on 27 March 1973**

Authentic text: English.

Registered by Denmark on 21 May 1974.

**DANEMARK
et
RÉPUBLIQUE-UNIE DE TANZANIE**

**Accord relatif à une assistance financière danoise desti-
née à la Tanzania Rural Development Bank. Signé
à Dar es-Salam le 27 mars 1973**

Texte authentique : anglais.

Enregistré par le Danemark le 21 mai 1974.

AGREEMENT¹ BETWEEN THE GOVERNMENT OF THE KINGDOM OF DENMARK AND THE GOVERNMENT OF THE UNITED REPUBLIC OF TANZANIA ON DANISH FINANCIAL ASSISTANCE TO TANZANIA RURAL DEVELOPMENT BANK

The Government of the Kingdom of Denmark (hereinafter called Denmark) and the Government of the United Republic of Tanzania (hereinafter called Tanzania), desiring to continue and expand their co-operation in promoting economic and social development in Tanzania, have agreed as follows:

Article I. In this Agreement “Act” shall mean the Tanzania Rural Development Bank Act, 1971, as amended from time to time;

“The Bank” shall mean the Tanzania Rural Development Bank;

“Long and medium-term finance” and “rural development” shall have the respective meanings assigned to them in section 1 of the Act.

Article II. Denmark shall make available to Tanzania a financial grant (hereinafter called “the Grant”) in an amount of five million Danish kroner (D.kr. 5,000,000) for disbursement through the Bank in accordance with the provisions hereinafter set forth or referred to and with the provisions of the Act.

Article III. Tanzania shall cause the Bank to use the proceeds of the Grant in accordance with the operating principles of the Act exclusively to provide long and medium-term finance for rural development.

Article IV. 1. The Grant shall be available for disbursement upon the signing of this Agreement subject to paragraph 2 hereof.

2. The funds to be made available hereunder shall be paid to the Treasury of Tanzania or its order upon request. Before payment is made, Tanzania will provide Denmark with the agreement or agreements between Tanzania and the Bank governing and regulating the disbursement by the Bank of the funds requested.

3. It is the intention of the Parties that additional funds may be made available by an exchange of letters in accordance with the provisions of this Agreement and Danish constitutional requirements.

Article V. 1. The Parties shall co-operate fully to ensure that the purpose of the Grant will be accomplished. To that end, each of them shall furnish to the other all such information as it shall reasonably request with regard to the Grant and related matters. Denmark and Tanzania shall agree on a specific schedule of regular reports to be furnished to Denmark by the Bank.

Tanzania shall promptly inform Denmark of any condition which interferes with, or threatens to interfere with, the accomplishment of the purpose of the Grant.

¹ Came into force on 27 March 1973 by signature, in accordance with article VI (1).

2. Tanzania shall afford and cause the Bank to afford all reasonable opportunity for representatives of Denmark to inspect all relevant goods, records and documents for purposes related to the Grant.

3. Tanzania shall promptly inform Denmark of any amendment to the Act.

4. Tanzania shall not amend or agree to amend the agreements referred to in article IV, paragraph 2, without prior consultation with Denmark.

Article VI. 1. This Agreement shall enter into force upon signature. Unless terminated earlier in accordance with paragraph 2 of this article, it shall remain in force until such time as grants made hereunder have been fully used for the purpose for which the said grants were made.

2. To the extent of that part of the Grant not paid by Denmark pursuant to article IV, paragraph 3, either of the two Parties may, by giving written notice to the other Party at least three months before the end of any Tanzanian financial year, terminate this Agreement with effect from the end of that financial year. Such written notice, however, shall not be served until consultations to that effect have taken place between the two Parties.

IN WITNESS WHEREOF the Government of Denmark and the Government of the United Republic of Tanzania, acting through their duly authorized representatives, have caused this Agreement to be signed.

DONE in Dar es Salaam on the 27th day of March 1973, in two original texts in English.

For the Government of the Kingdom of Denmark:

JØRGEN BÜTZOW
Chargé d'affaires a.i.

For the Government of the United Republic of Tanzania:

A. H. JAMAL
Minister for Commerce and Industries
