

No. 13568

**FEDERAL REPUBLIC OF GERMANY
and
SRI LANKA**

**Agreement concerning financial assistance (with annex).
Signed at Colombo on 18 October 1973**

Authentic texts: German, Sinhalese and English.

Registered by the Federal Republic of Germany on 8 October 1974.

**RÉPUBLIQUE FÉDÉRALE D'ALLEMAGNE
et
SRI LANKA**

**Accord d'aide financière (avec annexe). Signé à Colombo le
18 octobre 1973**

Textes authentiques : allemand, cinghalais et anglais.

Enregistré par la République fédérale d'Allemagne le 8 octobre 1974.

AGREEMENT¹ BETWEEN THE GOVERNMENT OF THE FEDERAL REPUBLIC OF GERMANY AND THE GOVERNMENT OF THE REPUBLIC OF SRI LANKA CONCERNING FINANCIAL ASSISTANCE

The Government of the Federal Republic of Germany and the Government of the Republic of Sri Lanka

in the spirit of the friendly relations existing between the Federal Republic of Germany and the Republic of Sri Lanka,

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

aware that the maintenance of those relations constitutes the basis of the present Agreement,

intending to promote the development of the economy of Sri Lanka,
have agreed as follows:

Article 1. (1) The Government of the Federal Republic of Germany shall enable the Government of the Republic of Sri Lanka to obtain from the Kreditanstalt für Wiederaufbau (Development Loan Corporation), Frankfurt/Main, a loan up to a total of DM 24 million (twenty-four million German Marks).

(2) The loan shall be used to finance the import of goods and services connected with such imports to meet current civilian requirements pursuant to the list of commodities attached to the present Agreement. It shall be preponderantly utilized to maintain and make better use of existing industrial and agricultural capacities in the Republic of Sri Lanka and to maintain and improve the infrastructure.

Article 2. (1) The utilization of the loan as well as the terms and conditions on which it is granted shall be governed by the provisions of the agreement to be concluded between the borrower and the Kreditanstalt für Wiederaufbau which shall be subject to the legal provisions applicable in the Federal Republic of Germany.

(2) The Government and the Central Bank of the Republic of Sri Lanka shall guarantee to the Kreditanstalt für Wiederaufbau all payments and the resultant transfers to be made in fulfilment of the borrower's liabilities under the loan agreements to be concluded.

Article 3. The Government of the Republic of Sri Lanka shall exempt the Kreditanstalt für Wiederaufbau from all taxes and other public charges levied in Sri Lanka at the time of the conclusion, or during the implementation of the loan agreement referred to in article 2 of the present Agreement.

Article 4. The Government of the Republic of Sri Lanka shall allow passengers and suppliers free choice of transport enterprises for such transportation by sea or air of persons and goods as results from the granting of the loan, shall take no measure that excludes or impairs the fair and equal participation of transport enterprises from the Federal Republic of Germany or *Land* Berlin, and shall grant the relevant permits as required.

¹ Came into force on 18 October 1973 by signature, in accordance with article 7.

Article 5. With regard to the supplies resulting from the granting of the loan, the Government of the Federal Republic of Germany attaches particular importance to preference being given to products of industries of *Land Berlin*.

Article 6. With the exception of those provisions of article 4 which refer to air transport, this Agreement shall also apply to *Land Berlin* provided that the Government of the Federal Republic of Germany does not make a contrary declaration to the Government of the Republic of Sri Lanka within three months after the entry into force of the present Agreement.

Article 7. The present Agreement shall enter into force on the date of signature thereof.

DONE at Colombo on 18 October 1973 in six originals, two each in the German, Sinhala and English languages, the German and Sinhala texts being equally authentic; in case of divergent interpretations the English text shall prevail.

For the Government
of the Federal Republic
of Germany:

[Signed — Signé]¹

[Signed — Signé]²

For the Government
of the Republic
of Sri Lanka:

[Signed — Signé]³

ANNEX

PURSUANT TO ARTICLE 1, PARAGRAPH 2, OF THE AGREEMENT OF 18 OCTOBER 1973 BETWEEN THE GOVERNMENT OF THE FEDERAL REPUBLIC OF GERMANY AND THE GOVERNMENT OF THE REPUBLIC OF SRI LANKA CONCERNING FINANCIAL ASSISTANCE

I. List of commodities pursuant to article 1, paragraph 2, eligible for Sri Lanka purchases under the aforementioned Agreement in the amount of DM 24 million (twenty-four million German Marks):

- (1) agricultural machinery and implements,
- (2) industrial raw and auxiliary materials as well as semi-manufactures,
- (3) industrial equipment,
- (4) chemical products,
- (5) spare parts and accessories of all kinds,
- (6) commercial vehicles of all kinds,
- (7) other industrial products which are of importance for the economic development of the Republic of Sri Lanka.

II. (1) Imports not covered by this list may be financed only with the prior approval of the Government of the Federal Republic of Germany.

(2) The loan pursuant to article 1, paragraph 2, of the present Agreement may also be used to pay for supplies under import licences issued after 31 August 1973.

(3) The importation of luxury and consumer goods and of any goods that may be used for purposes of military equipment shall be excluded from commodity aid financing.

¹ Signed by G. Feilner — Signé par G. Feilner.

² Signed by F. Klamser — Signé par F. Klamser.

³ Signed by H. A. de S. Gunasekera — Signé par H. A. de S. Gunasekera.