

No. 14347

**FEDERAL REPUBLIC OF GERMANY
and
EGYPT**

**Agreement concerning financial assistance (with annex).
Signed at Cairo on 11 April 1974**

Authentic texts: German and English.

Registered by the Federal Republic of Germany on 7 October 1975.

**RÉPUBLIQUE FÉDÉRALE D'ALLEMAGNE
et
ÉGYPTE**

**Accord d'aide financière (avec annexe). Signé au Caire le
11 avril 1974**

Textes authentiques : allemand et anglais.

Enregistré par la République fédérale d'Allemagne le 7 octobre 1975.

AGREEMENT¹ BETWEEN THE GOVERNMENT OF THE FEDERAL REPUBLIC OF GERMANY AND THE GOVERNMENT OF THE ARAB REPUBLIC OF EGYPT CONCERNING FINANCIAL ASSISTANCE

The Government of the Federal Republic of Germany and the Government of the Arab Republic of Egypt,

in the spirit of the friendly relations existing between the Federal Republic of Germany and the Arab Republic of Egypt,

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 Egyptian economy,

have agreed as follows:

Article 1. The Government of the Federal Republic of Germany shall grant the Government of the Arab Republic of Egypt for the year 1973 further financial assistance at a value of DM 60 million (sixty million German Marks) which shall be used in accordance with Articles 2 and 3 of the present Agreement.

Article 2. The Government of the Federal Republic of Germany shall enable the Government of the Arab Republic of Egypt or other Egyptian borrowers to be jointly selected by both Governments to raise with the Kreditanstalt für Wiederaufbau (Development Loan Corporation), Frankfurt/Main, loans up to a total of DM 20 million (twenty million German Marks) for projects to be jointly selected serving the development of the Egyptian economy, provided that upon examination such projects have been found to be eligible for promotion.

Article 3. (1) The Government of the Federal Republic of Germany shall enable the Government of the Arab Republic of Egypt or another Egyptian borrower to be jointly selected by the two Contracting Parties to raise with the Kreditanstalt für Wiederaufbau (Development Loan Corporation), Frankfurt/Main, a loan up to DM 40 million (forty million German Marks) to finance the importation of commodities, originating in the German sphere of application of the present Agreement, to meet the current civilian requirements of the Egyptian economy and the services connected therewith. The categories of commodities which may be financed from the said loan are listed in the Annex to the present Agreement.

(2) The payment obligations for the imports referred to in paragraph 1 above must arise out of supply contracts for which shipments have been effected since 31 March 1973.

(3) The disbursement of the said loan shall be subject to the liabilities assumed under the agreed Protocol of 8 February 1973 between the Government of the Arab Republic of Egypt and the Government of the Federal Republic of Germany being met within the prescribed period. DM 20 million (twenty million German Marks) of the loan amount may be disbursed as from 1 January 1974 and the remainder as from 1 March 1974.

Article 4. (1) The utilization of these loans as well as the terms and conditions on which they are 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.

¹ Came into force on 11 April 1974 by signature, in accordance with article 9.

(2) The Government of the Arab Republic of Egypt to the extent that it is not itself the borrower, and the Central Bank of Egypt shall guarantee to the Kreditanstalt für Wiederaufbau all payments and the resultant transfer to be made in fulfilment of the borrower's liabilities under the loan agreements to be concluded.

Article 5. The Government of the Arab Republic of Egypt shall exempt the Kreditanstalt für Wiederaufbau from all taxes, stamp duties and other public charges levied in the Arab Republic of Egypt at the time of the conclusion, or during the execution, of the loan agreements referred to in Article 4 of the present Agreement.

Article 6. Supplies and services for projects financed from the loans in accordance with Article 2 shall, unless otherwise provided in individual cases, be subject to international public tender.

Article 7. With regard to the supplies resulting from the granting of the loans, the Government of the Federal Republic of Germany attaches particular importance to preference being given to products of industries of *Land Berlin*.

Article 8. 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 Arab Republic of Egypt within three months after the entry into force of the present Agreement.

Article 9. The present Agreement shall enter into force on the date of signature thereof.

DONE at Cairo on 11th April 1974 in duplicate in the English and German languages, both texts being equally authentic.

For the Government
of the Federal Republic
of Germany:

[Signed — Signé]¹

For the Government
of the Arab Republic
of Egypt:

[Signed — Signé]²

ANNEX

TO THE AGREEMENT CONCERNING FINANCIAL ASSISTANCE

List of commodities in accordance with Article 3 (1):

1. Machinery and equipment
2. Industrial equipment
3. All kinds of spare parts and accessories
4. Products of the chemical industry
5. Other industrial products of importance for the economic development of the Arab Republic of Egypt
6. Medical equipment and instruments.

¹ Signed by H. G. Steltzer — Signé par H. G. Steltzer.

² Signed by Dr. Sherif Lotfi — Signé par D^r Sherif Lotfi.