

No. 14794

**FEDERAL REPUBLIC OF GERMANY
and
REPUBLIC OF KOREA**

**Agreement concerning financial assistance. Signed at Seoul
on 17 May 1974**

Authentic texts: German, Korean and English.

Registered by the Federal Republic of Germany on 15 June 1976.

**RÉPUBLIQUE FÉDÉRALE D'ALLEMAGNE
et
RÉPUBLIQUE DE CORÉE**

Accord d'aide financière. Signé à Séoul le 17 mai 1974

Textes authentiques : allemand, coréen et anglais.

Enregistré par la République fédérale d'Allemagne le 15 juin 1976.

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

The Government of the Federal Republic of Germany and the Government of the Republic of Korea,

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

desiring to strengthen and intensify these 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 Korean economy, have agreed as follows:

Article 1. (1) The Government of the Federal Republic of Germany shall enable the Government of the Republic of Korea to raise with the Kreditanstalt für Wiederaufbau (Development Loan Corporation), Frankfurt/Main, loans up to a total of thirty-five million German Marks as follows:

- twenty-two million German Marks for the inter-city telecommunications project
- eight million German Marks for the silk manufacturing project
- five million German Marks for the diesel engine factory at Hankook

if upon examination the said projects have been found to be eligible for promotion.

(2) The projects referred to in paragraph 1 above may be replaced by other projects if the Government of the Federal Republic of Germany and the Government of the Republic of Korea so agree.

Article 2. The utilization of the loans as well as the terms and conditions on which they are granted shall be governed by the provisions of the agreements 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.

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

Article 4. The Government of the Republic of Korea 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 loans, abstain from taking any measures that might exclude or impair the participation on equal terms of transport enterprises having their place of business in the German area of application of the present Agreement, and grant the relevant permits as required.

Article 5. Supplies and services for projects financed from the loans shall, unless otherwise provided in individual cases, be subject to international public tender.

¹ Came into force on 17 May 1974 by signature, in accordance with article 8.

Article 6. 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 7. 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 Korea within three months after the entry into force of the present Agreement.

Article 8. The present Agreement shall enter into force on the date of signature thereof.

DONE at Seoul on 17th of May 1974 in duplicate in the German, Korean and English languages. The German and the Korean texts shall be equally authentic. In case of divergent interpretations of the German and Korean texts the English text shall prevail.

For the Government
of the Federal Republic of Germany:

[Signed — Signé]¹

For the Government
of the Republic of Korea:

[Signed — Signé]²

¹ Signed by Dr. Sarrazin — Signé par Sarrazin.

² Signed by Lho, Shing Yong — Signé par Lho, Shing Yong.