

**No. 14816**

---

**FEDERAL REPUBLIC OF GERMANY  
and  
SRI LANKA**

**Agreement concerning financial assistance. Signed at  
Colombo on 21 February 1975**

*Authentic texts: German, Sinhalese and English.*

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

---

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

**Accord d'aide financière. Signé à Colombo le 21 février 1975**

*Textes authentiques : allemand, cinghalais et anglais.*

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

AGREEMENT<sup>1</sup> BETWEEN THE GOVERNMENT OF THE FEDERAL  
REPUBLIC OF GERMANY AND THE GOVERNMENT OF THE  
REPUBLIC OF SRI LANKA CONCERNING FINANCIAL AS-  
SISTANCE

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 economic and social development in the Republic of Sri Lanka,

have agreed as follows:

*Article 1.* The Government of the Federal Republic of Germany shall enable the Government of the Republic of Sri Lanka or another Sri Lanka borrower to be jointly selected by both Governments to raise with the Kreditanstalt für Wiederaufbau (Development Loan Corporation), Frankfurt/Main, a loan up to a total of DM 12 million (twelve million German Marks) to finance foreign exchange costs for further investments (chemical recovery plant and chaff-cutter) and other foreign exchange costs in connection with the Embilipitiya paper mill.

*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 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.

(2) The Government of the Republic of Sri Lanka, to the extent that it is not itself the borrower, and the Central Bank of the Republic of Sri Lanka shall guarantee to the Kreditanstalt für Wiederaufbau all payments in German Marks in fulfilment of the borrower's liabilities under the agreements to be concluded under paragraph 1 above.

*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 the Republic of Sri Lanka at the time of the conclusion, or during the implementation of the agreements referred to in Article 2.

*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, abstain from taking any measures that might exclude or impair the fair and equal participation of transport enterprises having their place of business in the German area of applica-

<sup>1</sup> Came into force on 21 February 1975 by signature, in accordance with article 8.

tion of the present Agreement, and grant the relevant permits as required for the participation of such enterprises.

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

*Article 6.* 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 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 Sri Lanka 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 Colombo on 21st February 1975 in duplicate in the German, Sinhala and English languages, all three texts being equally authentic. In case of divergent interpretation of the German and the Sinhala text, the English text shall prevail.

For the Government of the Federal Republic of Germany:

ALWIN BRÜCK  
GUNDI FEILNER

For the Government of the Republic of Sri Lanka :

H. A. DE S. GUNASEKERA

---