

No. 14826

**FEDERAL REPUBLIC OF GERMANY
and
MALTA**

**Agreement concerning financial assistance (with annex).
Signed at Valletta on 8 July 1975**

Authentic texts: German and English.

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

**RÉPUBLIQUE FÉDÉRALE D'ALLEMAGNE
et
MALTE**

**Accord d'aide financière (avec annexe). Signé à La Valette le
8 juillet 1975**

Textes authentiques : allemand 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 MALTA CONCERNING FINANCIAL AS- SISTANCE

The Government of the Federal Republic of Germany and the Government of the Republic of Malta,
in the spirit of the friendly relations existing between the Federal Republic of Germany and the Republic of Malta,
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 Maltese economy,
have agreed as follows:

Article 1. (1) The Government of the Federal Republic of Germany shall enable the Government of the Republic of Malta or other borrowers to be jointly selected by both Governments to raise with the Kreditanstalt für Wiederaufbau (Development Loan Corporation), Frankfurt/Main, in accordance with the letter from the Federal Chancellor, dated 27 October, 1971, and the letter from State Secretary, Dr. Sohn, dated 16 February, 1972, to the Prime Minister of the Republic of Malta, Mr. Dominic Mintoff, a loan up to a total of DM 32,000,000 (thirty-two million Deutsche Mark) to finance the importation of commodities and related services needed to meet current civilian requirements of the Maltese industry and economy. Only such goods and services shall be eligible as are specified in the list attached as Annex to the present Agreement and for which the supply contracts have been concluded after the entry into force of the loan agreements to be concluded in accordance with Article 2 of the present Agreement.

The borrower may use the loan to the amount of DM 22,000,000 during the year 1975, and to the amount of DM 5,000,000 annually during the years 1976 and 1977, plus any amounts not disbursed in the previous years.

(2) Terms and conditions for the loan specified in paragraph 1 above shall be an interest rate of two per cent per annum and thirty years maturity including a grace period of ten years.

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

¹ Came into force on 8 July 1975 by signature, in accordance with article 7.

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

Article 4. The Government of the Republic of Malta shall allow passengers and suppliers free choice of transport enterprises for such transportation by land, 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 participation 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. 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 Malta within three months after the entry into force of the present Agreement.

[*Article 7.*]¹ The present Agreement shall enter into force on the date of signature thereof.

DONE at Valletta on 8th July, 1975 in duplicate in the English and German languages, both texts being equally authentic.

[*Signed — Signé*]²

For the Government
of the Federal Republic of Germany

[*Signed — Signé*]³

For the Government
of the Republic of Malta

A N N E X

TO THE AGREEMENT BETWEEN THE GOVERNMENT OF THE FEDERAL REPUBLIC OF GERMANY AND THE GOVERNMENT OF THE REPUBLIC OF MALTA CONCERNING FINANCIAL ASSISTANCE OF 8 JULY, 1975

List of goods and services which may be financed from the loan up to a total of DM 32,000,000 (thirty-two million German Marks) pursuant to Article 1 of the Agreement of 8 July, 1975

- (a) industrial raw and auxiliary materials as well as semi-manufactures,
- (b) industrial equipment as well as agricultural machinery and implements,
- (c) spare parts and accessories of all kinds,
- (d) products of the chemical industry, in particular fertilizer, plant protection agents, pesticides, medicaments,
- (e) other industrial products,

¹ The following paragraph should be numbered "Article 7" (Information provided by the Government of the Federal Republic of Germany).

² Signed by Steinbach — Signé par Steinbach.

³ Signed by J. Attard Kingswell — Signé par J. Attard Kingswell.

- (f) the costs of transportation, insurance and assembly arising in connection with the importation of goods financed from the loan, including those arising in Maltese currency.
- Imports not contained in the above list may only be financed with the prior approval of the Government of the Federal Republic of Germany.

The importation of consumer goods for private consumption, in particular luxury goods, as well as goods and facilities for military purposes may not be financed from the loan.
