

**No. 14803**

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**FEDERAL REPUBLIC OF GERMANY  
and  
NICARAGUA**

**Agreement concerning financial assistance. Signed at  
Managua on 21 November 1974**

*Authentic texts: German and Spanish.*

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

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**RÉPUBLIQUE FÉDÉRALE D'ALLEMAGNE  
et  
NICARAGUA**

**Accord d'aide financière. Signé à Managua le 21 novembre  
1974**

*Textes authentiques : allemand et espagnol.*

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

[TRANSLATION — TRADUCTION]

AGREEMENT<sup>1</sup> BETWEEN THE GOVERNMENT OF THE FEDERAL  
REPUBLIC OF GERMANY AND THE GOVERNMENT OF THE  
REPUBLIC OF NICARAGUA CONCERNING FINANCIAL  
ASSISTANCE

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

Considering the friendly relations existing between the Federal Republic of Germany and the Republic of Nicaragua,

Desiring to consolidate and strengthen these friendly relations by fruitful co-operation in the field of development assistance,

Aware that the maintenance of these relations forms the basis for the present Agreement,

Purposing to contribute to economic and social development in the Republic of Nicaragua,

Have agreed as follows:

*Article 1.* The Government of the Federal Republic of Germany shall enable the Government of the Republic of Nicaragua to obtain a further loan up to a total of seventeen million Deutsche Mark from the Kreditanstalt für Wiederaufbau (Development Loan Corporation), Frankfurt/Main, for the expansion and reconstruction of the telecommunication network in Nicaragua.

*Article 2.* The utilization of this loan and the conditions on which it is granted shall be determined by the contracts to be concluded between the borrower and the Kreditanstalt für Wiederaufbau; the said contracts shall be subject to the legal provisions applicable in the Federal Republic.

*Article 3.* The Government of the Republic of Nicaragua shall exempt the Kreditanstalt für Wiederaufbau from all taxes and other public charges levied in the Republic of Nicaragua at the time of the conclusion or execution of the contracts referred to in article 2.

*Article 4.* The Government of the Republic of Nicaragua shall allow passengers and suppliers a free choice of transport enterprises for such transportation of persons and goods by sea and air as results from the granting of the loan; it shall refrain from taking any measures that might exclude or impair the participation of transport enterprises having their headquarters in the German area of application of this Agreement and shall grant any permits that may be necessary for the participation of such transport enterprises.

*Article 5.* With regard to deliveries resulting from the granting of the loan, the Government of the Federal Republic of Germany is particularly desirous that preference should be given to products of the industry of *Land Berlin*.

<sup>1</sup> Came into force on 20 January 1975, upon notification by the Government of Nicaragua to the Government of the Federal Republic of Germany that its necessary domestic requirements had been fulfilled, with retroactive effect from 21 November 1974, in accordance with article 7.

*Article 6.* With the exception of those provisions of article 4 which relate to air transport, this Agreement shall also apply to *Land Berlin* provided that the Government of the Federal Republic of Germany has not made a contrary declaration to the Government of the Republic of Nicaragua within three months from the date of entry into force of this Agreement.

*Article 7.* This Agreement shall enter into force, with retroactive effect to the date of its signature, as soon as the Government of the Republic of Nicaragua notifies the Government of the Federal Republic of Germany that the domestic requirements for the entry into force of the Agreement have been fulfilled on the part of the Republic of Nicaragua.

DONE at Managua on 21 November 1974 in two original copies, each in the German and Spanish languages, both texts being equally authentic.

For the Government of the Federal Republic of Germany:  
GOETZ D. VON HOUWALD

For the Government of the Republic of Nicaragua:  
ALEJANDRO MONTIEL ARGÜELLO

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