

No. 14797

**FEDERAL REPUBLIC OF GERMANY
and
REPUBLIC OF SOUTH VIET-NAM**

**Agreement concerning financial assistance. Signed at Saigon
on 5 September 1974**

Authentic texts: German and French.

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

**RÉPUBLIQUE FÉDÉRALE D'ALLEMAGNE
et
RÉPUBLIQUE DU SUD VIET-NAM**

Accord d'aide financière. Signé à Saigon le 5 septembre 1974

Textes authentiques : allemand et français.

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

[TRANSLATION — TRADUCTION]

AGREEMENT¹ CONCERNING FINANCIAL ASSISTANCE BETWEEN
THE GOVERNMENT OF THE FEDERAL REPUBLIC OF GER-
MANY AND THE GOVERNMENT OF THE REPUBLIC OF VIET
NAM

The Government of the Federal Republic of Germany and the Government of the Republic of Viet Nam,

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

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

Being aware that the maintenance of these relations is the basis for this Agreement,

Intending to promote the development of the Vietnamese economy,

Have agreed as follows:

Article 1. (1) The Government of the Federal Republic of Germany shall enable the Government of the Republic of Viet Nam and/or other borrowers to be selected jointly by the two Governments to obtain loans not exceeding a total of forty million Deutsche Mark from the Kreditanstalt für Wiederaufbau (Reconstruction Loan Corporation), Frankfurt-on-Main, for the following projects:

- slaughterhouses at Saigon, phase II;
- procurement of agricultural machinery;
- warehouses for agricultural products;
- promotion of agricultural industries;
- regional electricity supply;
- regional water supply

provided that, after being studied, the projects are found to merit support.

(2) The projects referred to in paragraph 1 may, by agreement between the Government of the Federal Republic of Germany and the Government of the Republic of Viet Nam, be replaced by other projects.

Article 2. (1) The utilization of the loans and the conditions on which they are granted shall be governed by the contracts to be concluded between the borrowers and the Kreditanstalt für Wiederaufbau; the said contracts shall be subject to the legislation applicable in the Federal Republic of Germany.

(2) The Government of the Republic of Viet Nam, in so far as it is not itself the borrower, and the Central Bank of Viet Nam shall guarantee to the Kreditanstalt für Wiederaufbau all payments and their transfer in compliance with the borrower's obligations under the loan contracts to be concluded.

¹ Came into force on 5 September 1974 by signature, in accordance with article 8.

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

Article 4. With respect to such carriage of passengers and goods by sea and air as results from the granting of the loans, the Government of the Republic of Viet Nam shall allow passengers and suppliers free choice of transport enterprises, shall refrain from taking any measures that might exclude or impede the participation of transport enterprises having their headquarters in the German area of application of this Agreement and shall grant the necessary permits, if any.

Article 5. Project supplies and services financed from the loans shall, unless otherwise stipulated in individual cases, be subject to international public tender.

Article 6. The Government of the Federal Republic of Germany is particularly desirous that, for goods supplied as a result of the granting of the loans, preference should be given to the products of the industry of *Land Berlin*.

Article 7. With the exception of the provisions of article 4 concerning air traffic, this Agreement shall also apply to *Land Berlin* unless the Government of the Federal Republic of Germany declares otherwise to the Government of the Republic of Viet Nam within three months of the entry into force of this Agreement.

Article 8. This Agreement shall enter into force on the date of signature.

DONE at Saigon on 5 September 1974, in duplicate in the German and French languages, both texts being equally authentic.

For the Government of the Federal Republic of Germany:
GERHARD KÖNIG

For the Government of the Republic of Viet Nam:
CHAU-KIM-NHAN
