

No. 16367

**FEDERAL REPUBLIC OF GERMANY
and
MALAWI**

**Agreement concerning financial assistance. Signed at
Lilongwe on 1 April 1976**

Authentic texts: German and English.

Registered by the Federal Republic of Germany on 1 February 1978.

**RÉPUBLIQUE FÉDÉRALE D'ALLEMAGNE
et
MALAWI**

Accord d'aide financière. Signé à Lilongwe le 1^{er} avril 1976

Textes authentiques : allemand et anglais.

Enregistré par la République fédérale d'Allemagne le 1^{er} février 1978.

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

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

In the spirit of the friendly relations existing between the Republic of Malawi and the Federal Republic of Germany,

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 Malawi,

Have agreed as follows:

Article 1. The Government of the Federal Republic of Germany shall enable the Government of the Republic of Malawi to raise with the *Kreditanstalt für Wiederaufbau* (Development Loan Corporation), Frankfurt/Main, a loan up to a total of DM 25,627 million (twenty-five million, six hundred and twenty-seven thousand German Marks) for building the road Chiweta-Chiguliro-Mzokoto-Kacheche (south of Rumphu).

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 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 Reserve Bank of the Republic of Malawi shall guarantee to the *Kreditanstalt für Wiederaufbau* all payments in German Marks to be made in fulfilment of the borrower's liabilities under the loan agreements to be concluded pursuant to paragraph (1) above.

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

Article 4. The Government of the Republic of Malawi 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 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 for such participation as required.

¹ Came into force on 1 April 1976 by signature, in accordance with article 8.

Article 5. Supplies and services for projects financed from the loan shall, unless otherwise provided 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 Malawi within three months of 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 Lilongwe on 1 April 1976 in duplicate in the English and German languages, both texts being equally authentic.

For the Government
of the Republic of Malawi:

[Signed — Signé]¹

For the Government
of the Federal Republic
of Germany:

[Signed — Signé]²

¹ Signed by Matenje — Signé par Matenje.

² Signed by Erhard Holtermann — Signé par Erhard Holtermann.