

No. 16363

**FEDERAL REPUBLIC OF GERMANY
and
REPUBLIC OF KOREA**

**Agreement concerning financial assistance. Signed at Seoul
on 5 March 1976**

Authentic texts: German, Korean and English.

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

**RÉPUBLIQUE FÉDÉRALE D'ALLEMAGNE
et
RÉPUBLIQUE DE CORÉE**

Accord d'aide financière. Signé à Séoul le 5 mars 1976

Textes authentiques : allemand, coréen et anglais.

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

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

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

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

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 Korea,

Have agreed as follows:

Article 1. (1) The Government of the Federal Republic of Germany shall enable the Government of the Republic of Korea to raise with the *Kreditanstalt für Wiederaufbau* (Development Loan Corporation) Frankfurt/Main, loans up to a total of thirty-five million German Marks for the projects:

(a) Korea Development Bank (KDB) — twenty million German Marks,

(b) Drainage project Busan — ten million German Marks,

(c) Marketing centres — five million German Marks,

if, on examination, they are found to be eligible for promotion.

(2) The projects referred to in paragraph (1) above may be replaced by other projects if the Government of the Federal Republic of Germany and the Government of the Republic of Korea so agree.

Article 2. The utilization of the loans as well as the terms and conditions on which they are granted shall be governed by the provisions of the contracts 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.

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

Article 4. The Government of the Republic of Korea shall allow passengers and suppliers free choice of transport enterprises for the transportation by sea or air of persons and goods resulting from the granting of the loans, 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 covered by the present Agreement, and grant them necessary permits for such participation as required.

¹ Came into force on 5 March 1976 by signature, in accordance with article 8.

Article 5. Supplies and services for projects financed from the loans pursuant to article 1, paragraph (1) (b) and (c) 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 loans, the Government of the Federal Republic of Germany attaches particular importance to preferences being given to industrial products manufactured in Land Berlin.

Article 7. With the exception of those provisions of article 4 which refer to air transport, the present 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 Korea 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 Seoul on 5th March, 1976, in duplicate in the German, Korean and English languages, all three texts being authentic. In case of divergent interpretation of the German and Korean texts, the English text shall prevail.

For the Government
of the Federal Republic
of Germany:

[Signed — Signé]¹

For the Government
of the Republic of Korea:

[Signed — Signé]²

¹ Signed by Karl Leuteritz — Signé par Karl Leuteritz.

² Signed by Tong Jin Park — Signé par Tong Jin Park.