

No. 16794

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

**Agreement concerning financial assistance. Signed at Seoul
on 14 April 1977**

Authentic texts: German, Korean and English.

Registered by the Federal Republic of Germany on 30 June 1978.

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

Accord d'aide financière. Signé à Séoul le 14 avril 1977

Textes authentiques : allemand, coréen et anglais.

Enregistré par la République fédérale d'Allemagne le 30 juin 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 contribute to 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) Extension of the power supply system: DM 20 million,

(b) Yonsei University hospital project: DM 15 million,

if, after examination, they have been found 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 agreements to be concluded between the borrower and the *Kreditanstalt für Wiederaufbau*, which shall be subject to the laws and regulations 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 implementation, of the agreements 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 such transportation by sea or air of persons and goods as results from the granting of the loans, abstain from taking any measures that might exclude or impair the fair and equal participation of transport enterprises having their place of business in the German area of application of the present Agreement, and grant permits for such participation as required.

Article 5. Supplies and services for projects financed from the loans pursuant to Article 1 (1) shall, unless otherwise provided for in individual cases, be subject to international public tender.

¹ Came into force on 14 April 1977 by signature, in accordance with article 8.

Article 6. With regard to supplies resulting from the granting of the loans, 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 Korea within three months of the date of entry into force of this Agreement.

Article 8. The present Agreement shall enter into force on the date of signature thereof.

DONE at Seoul on April 14th, 1977, in duplicate in the German, Korean and English languages, all three texts being authentic. In case of divergent interpretations of the German and Korean texts, the English text shall prevail.

For the Government
of the Federal Republic of Germany:¹

For the Government
of the Republic of Korea:²

¹ Signed by Dr. Karl Leuteritz.

² Signed by Tong-Jin Park.