

No. 16793

**FEDERAL REPUBLIC OF GERMANY
and
BOLIVIA**

**Agreement concerning financial assistance. Signed at La
Paz on 31 March 1977**

Authentic texts: German and Spanish.

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

**RÉPUBLIQUE FÉDÉRALE D'ALLEMAGNE
et
BOLIVIE**

Accord d'aide financière. Signé à La Paz le 31 mars 1977

Textes authentiques : allemand et espagnol.

Enregistré par la République fédérale d'Allemagne le 30 juin 1978.

[TRANSLATION — TRADUCTION]

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

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

Considering the friendly relations existing between the two countries,

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

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

Being aware that the maintenance of these relations, intensified by co-operation between the two Governments, is the basis for the present Agreement,

Have agreed as follows:

Article 1. The Government of the Federal Republic of Germany shall enable the Government of the Republic of Bolivia to obtain loans not exceeding a total of DM 12.08 million (twelve million eighty thousand Deutsche Mark) from the Kreditanstalt für Wiederaufbau, Frankfurt am Main, for the construction of small-scale irrigation systems to improve agricultural productivity in the Altiplano and in the Valles.

Article 2. (1) The utilization of these loans and the conditions on which they are granted shall be governed 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 of Germany.

(2) The Central Bank of the Republic of Bolivia shall guarantee to the Kreditanstalt für Wiederaufbau all payments in Deutsche Mark in fulfilment of the obligations of the borrower under the contracts to be concluded in accordance with paragraph 1.

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

Article 4. The Government of the Republic of Bolivia shall allow passengers and suppliers a free choice of transport enterprises for such transportation of passengers 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 impede the participation, on an equal footing, of transport enterprises which have their headquarters within the German area of application of this Agreement and shall issue any permits that may be necessary for the participation of such transport enterprises.

¹ Came into force on 31 March 1977 by signature, in accordance with article 8.

Article 5. Contracts for deliveries and performances relating to projects financed by the loans shall be awarded by international public tender, unless otherwise stipulated in individual cases.

Article 6. The Government of the Federal Republic of Germany is particularly desirous that, for deliveries resulting from the granting of the loans, preference should be given to the products of the industry of *Land Berlin*.

Article 7. With the exception of those provisions of article 4 which relate to air traffic, 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 Bolivia within three months from the date of entry into force of this Agreement.

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

DONE at La Paz on 31 March 1977, in duplicate in the German and Spanish languages, both texts being equally authentic.

For the Government of the Federal Republic of Germany:

RACKY

For the Government of the Republic of Bolivia:

General O. ADRIÁ ZOLA V.
