

No. 16790

**FEDERAL REPUBLIC OF GERMANY
and
PHILIPPINES**

**Agreement concerning financial assistance. Signed at
Manila on 9 February 1977**

Authentic texts: German and English.

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

**RÉPUBLIQUE FÉDÉRALE D'ALLEMAGNE
et
PHILIPPINES**

Accord d'aide financière. Signé à Manille le 9 février 1977

Textes authentiques : allemand 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 THE PHILIPPINES CONCERNING FINANCIAL
ASSISTANCE

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

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

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, and

Intending to contribute to the economic and social development of the Republic of the Philippines,

Have agreed as follows:

Article 1. The Government of the Federal Republic of Germany shall enable the Government of the Republic of the Philippines to raise with the *Kreditanstalt für Wiederaufbau* (Development Loan Corporation), Frankfurt/Main, a loan of up to DM 15,000,000 (fifteen million German Marks) for small-scale irrigation projects.

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 laws and regulations applicable in the Federal Republic of Germany.

[(2)] The Central Bank of the Philippines shall guarantee to the *Kreditanstalt für Wiederaufbau* all payments in German Marks to be made in fulfilment of the borrower's liabilities under the agreements to be concluded pursuant to paragraph 1 above.

Article 3. The Government of the Republic of the Philippines shall exempt the *Kreditanstalt für Wiederaufbau* from all taxes and other public charges levied in the Republic of the Philippines 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 the Philippines shall allow passengers and suppliers free choice of transport enterprises for such transportation by sea or air of persons and goods resulting from the grant of the loan, shall abstain from taking any measure 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 shall grant the relevant permits as required for the participation of such enterprises.

¹ Came into force on 9 February 1977 by signature, in accordance with article 8.

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

Article 6. With regard to 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 the Philippines 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 Manila, Philippines, on 9 February 1977 in four originals, two each in the German and English languages, all four texts being equally authentic.

For the Government
of the Federal Republic of Germany:

[Signed — Signé]¹

For the Government
of the Republic of the Philippines:

[Signed — Signé]²

¹ Signed by W. Eger — Signé par W. Eger.

² Signed by Carlos P. Romulo — Signé par Carlos P. Romulo.