

**No. 16806**

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**FEDERAL REPUBLIC OF GERMANY  
and  
EGYPT**

**Agreement concerning financial co-operation – *Nile delta drainage and other projects*. Signed at Bonn on 28 June 1977**

*Authentic texts: German, English and Arabic.*

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

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**RÉPUBLIQUE FÉDÉRALE D'ALLEMAGNE  
et  
ÉGYPTE**

**Accord de coopération financière – *Projet de drainage du delta du Nil et autres projets*. Signé à Bonn le 28 juin 1977**

*Textes authentiques : allemand, anglais et arabe.*

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

## AGREEMENT<sup>1</sup> BETWEEN THE GOVERNMENT OF THE FEDERAL REPUBLIC OF GERMANY AND THE GOVERNMENT OF THE ARAB REPUBLIC OF EGYPT CONCERNING FINANCIAL CO-OPERATION

The Government of the Federal Republic of Germany and the Government of the Arab Republic of Egypt,

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

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 the Arab Republic of Egypt,

Have agreed as follows:

*Article 1.* (1) The Government of the Federal Republic of Germany shall enable the Government of the Arab Republic of Egypt or other borrowers to be jointly selected by the two Governments to raise with the *Kreditanstalt für Wiederaufbau* (Development Loan Corporation), Frankfurt/Main, loans up to DM 180 million (one hundred and eighty million German Marks) for the following projects:

1. Nile delta drainage project (II),
  2. Increase in funds for the Amriah transformer station,
  3. Fayoum transformer station,
  4. Kawmia Cement Factory,
  5. Increase in funds for the floating dock project in Suez area,
- 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 Arab Republic of Egypt so agree.

*Article 2.* (1) 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 borrowers and the *Kreditanstalt für Wiederaufbau*, which shall be subject to the laws and regulations applicable in the Federal Republic of Germany.

(2) The Government of the Arab Republic of Egypt, to the extent that it is not itself the borrower, and the Central Bank of Egypt shall guarantee to the *Kreditanstalt für Wiederaufbau* all payments in German Marks to be made in fulfilment of the borrowers' liabilities under the agreements to be concluded pursuant to paragraph 1 above.

<sup>1</sup> Came into force on 28 June 1977 by signature, in accordance with article 8.

*Article 3.* The Government of the Arab Republic of Egypt shall exempt the Kreditanstalt für Wiederaufbau from all taxes and other public charges levied in the Arab Republic of Egypt 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 Arab Republic of Egypt shall allow passengers and suppliers free choice of transport enterprises for such transportation by land, 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 participation on equal terms of transport enterprises having their place of business in the German area of application of the present Agreement, and grant permits for the participation of such enterprises as required.

*Article 5.* Supplies and services for projects pursuant to Article 1 (1) (1-4) of the present Agreement financed from the loans shall, unless otherwise provided for in individual cases, be subject to international public tender.

Supplies and services for the project pursuant to Article 1 (1) (5) of the present Agreement shall be subject to tender restricted to the German area of application of the present Agreement.

*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 Arab Republic of Egypt 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 Bonn on 28th June 1977 in duplicate in the German, Arabic and English languages, all three texts being authentic. In case of divergent interpretations of the German and Arabic texts, the English text shall prevail.

For the Government  
of the Federal Republic of Germany:

[Signed — Signé]<sup>1</sup>

For the Government  
of the Arab Republic of Egypt:

[Signed — Signé]<sup>2</sup>

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<sup>1</sup> Signed by van Well — Signé par van Well.

<sup>2</sup> Signed by A. M. El Nazer — Signé par A. M. El Nazer.