

**No. 16800**

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**FEDERAL REPUBLIC OF GERMANY  
and  
AFGHANISTAN**

**Agreement concerning financial assistance. Signed at Kabul  
on 19 May 1977**

*Authentic texts: German and English.*

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

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**RÉPUBLIQUE FÉDÉRALE D'ALLEMAGNE  
et  
AFGHANISTAN**

**Accord d'aide financière. Signé à Kaboul le 19 mai 1977**

*Textes authentiques : allemand et anglais.*

*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 REPUBLIC OF AFGHANISTAN CONCERNING FINANCIAL ASSISTANCE

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

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

Desiring to strengthen and intensify those friendly relations by fruitful cooperation 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 Republic of Afghanistan,

Have agreed as follows:

*Article 1.* (1) The Government of the Federal Republic of Germany shall enable the Government of the Republic of Afghanistan and/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 20,000,000 DM (twenty million German Marks) for the projects

(a) Extension of Radio Afghanistan,

(b) Enlargement of the Spun Concrete Plant Kabul,

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 Republic of Afghanistan and the Government of the Federal Republic of Germany so agree.

*Article 2.* (1) The loan shall be extended for a period [of] 50 (fifty) years including 10 years of grace and shall carry an interest of 0.75 per cent per annum.

(2) The other terms and conditions on which the loan is 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.

(3) The Government of the Republic of Afghanistan, to the extent that it is not itself the borrower, 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.

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

<sup>1</sup> Came into force on 19 May 1977 by signature, in accordance with article 8.

*Article 4.* The Government of the Republic of Afghanistan 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 the relevant permits as required for the participation of such enterprises.

*Article 5.* Supplies and services for projects financed from the loans 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 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 Afghanistan 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 Kabul on May 19th, 1977, in duplicate in the English and German languages, both texts being equally authentic.

For the Government  
of the Federal Republic of Germany:

[Signed — Signé]<sup>1</sup>

[Signed — Signé]<sup>2</sup>

For the Government  
of the Republic of Afghanistan:

[Signed — Signé]<sup>3</sup>

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<sup>1</sup> Signed by F. J. Hoffmann — Signé par F. J. Hoffmann.

<sup>2</sup> Signed by Winfried Böll — Signé par Winfried Böll.

<sup>3</sup> Signed by Ali Ahmed Khurram — Signé par Ali Ahmed Khurram.