

No. 16795

**FEDERAL REPUBLIC OF GERMANY
and
LESOTHO**

**Agreement concerning financial assistance. Signed at
Maseru on 21 April 1977**

Authentic texts: German and English.

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

**RÉPUBLIQUE FÉDÉRALE D'ALLEMAGNE
et
LESOTHO**

**Accord d'aide financière. Signé à Maseru le 21 avril
1977**

Textes authentiques : allemand et anglais.

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

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

The Government of the Kingdom of Lesotho and the Government of the Federal Republic of Germany,

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

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 Kingdom of Lesotho,

Have agreed as follows:

Article 1. 1) The Government of the Federal Republic of Germany shall enable the Government of the Kingdom of Lesotho to raise with the *Kreditanstalt für Wiederaufbau* (Development Loan Corporation), Frankfurt/Main, a loan up to 5,500,000 DM (five million five hundred thousand German Marks) for building up and developing a national telecommunications network if, after examination, the project has been found eligible for promotion.

2) The project referred to in paragraph 1 above may be replaced by other projects if the Government of the Kingdom of Lesotho and the Government of the Federal Republic of Germany so agree.

Article 2. 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.

Article 3. The Government of the Kingdom of Lesotho shall exempt the *Kreditanstalt für Wiederaufbau* from all taxes and other public charges levied in the Kingdom of Lesotho 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 Kingdom of Lesotho 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 loan, 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.

¹ Came into force on 21 April 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 Kingdom of Lesotho 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 Maseru on 21 April 1977 in duplicate in the English and German languages, both texts being equally authentic.

[Signed — Signé]¹

For the Government
of the Kingdom of Lesotho

[Signed — Signé]²

For the Government
of the Federal Republic of Germany

¹ Signed by C. D. Molapo — Signé par C. D. Molapo.

² Signed by Weindel — Signé par Weindel.