

No. 18448

**FEDERAL REPUBLIC OF GERMANY
and
BURMA**

**Agreement concerning financial assistance. Signed at
Rangoon on 27 February 1978**

Authentic texts: German, Burmese and English.

Registered by the Federal Republic of Germany on 28 March 1980.

**RÉPUBLIQUE FÉDÉRALE D'ALLEMAGNE
et
BIRMANIE**

Accord d'aide financière. Signé à Rangoon le 27 février 1978

Textes authentiques : allemand, birman et anglais.

Enregistré par la République fédérale d'Allemagne le 28 mars 1980.

AGREEMENT¹ BETWEEN THE GOVERNMENT OF THE FEDERAL
REPUBLIC OF GERMANY AND THE GOVERNMENT OF THE
SOCIALIST REPUBLIC OF THE UNION OF BURMA CONCERN-
ING FINANCIAL ASSISTANCE

The Government of the Federal Republic of Germany and the Government of the Socialist Republic of the Union of Burma,

In the spirit of the friendly relations existing between the Federal Republic of Germany and the Socialist Republic of the Union of Burma,

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 for the present Agreement,

Intending to contribute to economic development in Burma,

Have agreed as follows:

Article 1. (1) The Government of the Federal Republic of Germany shall enable the Myanma Foreign Trade Bank to raise with the Kreditanstalt für Wiederaufbau (Development Loan Corporation), Frankfurt am Main, a loan up to DM 10,000,000 (ten million German Marks) for the project passenger cum cargo vessels.

(2) The project 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 Socialist Republic of the Union of Burma so agree.

(3) The Government of the Federal Republic of Germany states its willingness in principle, on the basis of existing national regulations and provided that the other conditions for cover are fulfilled, to guarantee, in respect of that part of the order not financed out of the financial assistance, up to a maximum amount of DM 6,000,000 (six million German Marks), payment of exports made in connection with the project referred to in paragraph 1 above by firms having their place of business in the German area of application of this Agreement.

The following articles of this Agreement shall also apply to the loan to be provided in addition to the financial assistance, insofar as the Kreditanstalt für Wiederaufbau is the lender.

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 borrowers and the Kreditanstalt für Wiederaufbau. The place of performance is Frankfurt am Main.

(2) The Government of the Socialist Republic of the Union of Burma 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.

¹ Came into force on 27 February 1978 by signature, in accordance with article 8.

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

Article 4. (1) The Government of the Socialist Republic of the Union of Burma shall allow for such transportation by sea or air of persons and goods as results from the granting of the loan free choice of transport enterprises flying the flag of the Federal Republic of Germany or the flag of the Socialist Republic of the Union of Burma.

(2) The shipping enterprises flying the flag of the Federal Republic of Germany or of the Socialist Republic of the Union of Burma shall participate on a fair and equal basis in such transportation of goods from the German area of application of the present Agreement as results from the granting of the loan. The Government of the Socialist Republic of the Union of Burma shall grant permits as required for the participation of shipping enterprises flying the flag of the Federal Republic of Germany.

Article 5. Supplies and services for the projects financed from the loan shall, unless otherwise provided for in individual cases, be subject to public tender restricted to the German area of application of the present Agreement.

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 Socialist Republic of the Union of Burma 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 Rangoon on February 27, 1978, in duplicate in the German, Burmese and English languages, all three texts being authentic. In case of divergent interpretations of the German and Burmese texts, the English text shall prevail.

For the Government
of the Federal Republic of Germany:

[Signed]

Dr. HANS FERDINAND LINSSER

For the Government
of the Socialist Republic
of the Union of Burma:

[Signed]

Dr. MAUNG SHEIN