

**No. 18458**

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**FEDERAL REPUBLIC OF GERMANY  
and  
INDONESIA**

**Agreement concerning financial assistance. Signed at Jakarta on 2 February 1978**

*Authentic texts: German, Indonesian and English.*

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

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**RÉPUBLIQUE FÉDÉRALE D'ALLEMAGNE  
et  
INDONÉSIE**

**Accord d'aide financière. Signé à Djakarta le 2 février 1978**

*Textes authentiques : allemand, indonésien et anglais.*

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

## AGREEMENT<sup>1</sup> BETWEEN THE GOVERNMENT OF THE FEDERAL REPUBLIC OF GERMANY AND THE GOVERNMENT OF THE REPUBLIC OF INDONESIA CONCERNING FINANCIAL ASSISTANCE

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

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

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 Indonesia,

Have agreed as follows:

*Article 1.* (1) The Government of the Federal Republic of Germany shall enable the Government of the Republic of Indonesia to raise with the Kreditanstalt für Wiederaufbau (Development Loan Corporation), Frankfurt/Main, loans up to a total of DM 8,500,000 (eight million five hundred thousand German Marks) for ship building projects to be determined jointly by both Governments, if they have been found eligible for promotion.

(2) The projects referred to in paragraph 1 above may be replaced by other projects if the Contracting Parties so agree.

*Article 2.* 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 Kreditanstalt für Wiederaufbau and the Government of the Republic of Indonesia, which shall be subject to the laws and regulations applicable in the Federal Republic of Germany.

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

*Article 4.* The Government of the Republic of Indonesia 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 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 for the participation of such enterprises as required.

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<sup>1</sup> Came into force on 2 February 1978 by signature, in accordance with article 8.

*Article 5.* Supplies and services for projects financed from the loans 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 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 Indonesia 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 Jakarta on February 2, 1978, in duplicate in the German, Indonesian and English languages, all three texts being authentic. In case of divergent interpretations of the German and Indonesian 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 Republic of Indonesia:

[Signed — Signé]<sup>2</sup>

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<sup>1</sup> Signed by Günther Schödel — Signé par Günther Schödel.

<sup>2</sup> Signed by Mochtar Kusumaatmadja — Signé par Mochtar Kusumaatmadja.