

No. 18432

**FEDERAL REPUBLIC OF GERMANY
and
MALAWI**

Agreement concerning financial co-operation—*Passenger vessel for Lake Malawi Project*. Signed at Blantyre-Limbe on 17 November 1977

Authentic texts: German and English.

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

**RÉPUBLIQUE FÉDÉRALE D'ALLEMAGNE
et
MALAWI**

Accord de coopération financière — *Projet d'acquisition d'un navire à passagers devant être exploité sur le lac Malawi*. Signé à Blantyre-Limbe le 17 novembre 1977

Textes authentiques : allemand et anglais.

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

AGREEMENT¹ BETWEEN THE GOVERNMENT OF THE REPUBLIC OF MALAWI AND THE GOVERNMENT OF THE FEDERAL REPUBLIC OF GERMANY CONCERNING FINANCIAL CO-OPERATION

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

In the spirit of the friendly relations existing between the Republic of Malawi 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 Republic of Malawi,

Have agreed as follows:

Article 1. (1) The Government of the Federal Republic of Germany shall enable Malawi Railways Ltd., P.O. Box 5492, Limbe, to raise with the Kreditanstalt für Wiederaufbau (Development Loan Corporation), Frankfurt/Main, a loan up to DM 4,500,000 (four million five hundred thousand German Marks) for the project passenger vessel for Lake Malawi and related services.

(2) 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 4,500,000 (four million five hundred thousand German Marks), payment for 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 borrower 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 Republic of Malawi and the Reserve Bank of Malawi shall guarantee to the Kreditanstalt für Wiederaufbau all payments in German Marks to be made in fulfilment of the borrower's liabilities under the agreements to be concluded pursuant to paragraph 1 above.

Article 3. The Government of the Republic of Malawi shall exempt the Kreditanstalt für Wiederaufbau from all taxes and other public charges levied in the

¹ Came into force on 17 November 1977 by signature, in accordance with article 8.

Republic of Malawi 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 Republic of Malawi 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.

Article 5. Supplies and services for 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 Republic of Malawi 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 Blantyre-Limbe on 17 November 1977, in duplicate in the English and German languages, both texts being equally authentic.

For the Government
of the Republic of Malawi:

[Signed — Signé]¹

For the Government
of the Federal Republic of Germany:

[Signed — Signé]²

¹ Signed by D. J. Matenje — Signé par D. J. Matenje.

² Signed by Erhard Holtermann — Signé par Erhard Holtermann.