

**No. 18461**

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**FEDERAL REPUBLIC OF GERMANY  
and  
BOLIVIA**

**Agreement concerning financial co-operation. Signed at  
La Paz on 10 March 1978**

*Authentic texts: German and Spanish.*

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

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**RÉPUBLIQUE FÉDÉRALE D'ALLEMAGNE  
et  
BOLIVIE**

**Accord de coopération financière. Signé à La Paz le 10 mars  
1978**

*Textes authentiques : allemand et espagnol.*

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

[TRANSLATION — TRADUCTION]

AGREEMENT<sup>1</sup> BETWEEN THE GOVERNMENT OF THE FEDERAL  
REPUBLIC OF GERMANY AND THE GOVERNMENT OF THE  
REPUBLIC OF BOLIVIA CONCERNING FINANCIAL CO-  
OPERATION

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

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

Desiring to strengthen and enhance these friendly relations by fruitful co-operation in the field of development assistance,

Aware that the maintenance of these relations constitutes the basis for this Agreement,

Intending to promote economic and social development in the Republic of Bolivia,

Have agreed as follows:

*Article 1.* (1) The Government of the Federal Republic of Germany shall enable the Government of the Republic of Bolivia, or another borrower to be selected jointly by the two Governments, to raise a loan of DM 40,000,000 (forty million Deutsche Mark) with the Kreditanstalt für Wiederaufbau, Frankfurt-on-Main, for the “Establishment of a lead and silver refinery” (“Lead-silver refinery”) project if, on examination, it is deemed worthwhile.

(2) The project referred to in the previous paragraph may be replaced by other projects if the Federal Republic of Germany and the Republic of Bolivia so agree.

(3) On the assumption that the “Lead-silver refinery” project will be carried forward and that full funding and the supply of raw materials are ensured, the Government of the Federal Republic of Germany declares that it is prepared in principle, in accordance with the existing domestic guidelines and provided that the other conditions as to coverage are fulfilled, to furnish guarantees for the part which is not covered by financial assistance in respect of orders placed with enterprises having their principal place of business in the German area of application of this Agreement for the purpose of implementing the project.

The following articles of this Agreement shall also apply to the loan granted in addition to financial assistance for financing the “Lead-silver refinery”, in so far as the Kreditanstalt für Wiederaufbau is the lender.

*Article 2.* (1) Utilization of this loan as well as the terms and conditions on which it is to be granted shall be governed by the contracts to be concluded between the borrower and the Kreditanstalt für Wiederaufbau; such contracts shall be subject to the legal provisions applicable in the Federal Republic of Germany.

<sup>1</sup> Came into force on 10 March 1978 by signature, in accordance with article 8.

(2) The Government of the Republic of Bolivia, if it is not itself the borrower, and the Central Bank of the Republic of Bolivia shall guarantee to the Kreditanstalt für Wiederaufbau all payments in Deutsche Mark in discharge of the borrower's liabilities under the contracts to be concluded pursuant to paragraph 1 of this article.

*Article 3.* The Government of the Republic of Bolivia shall exempt the Kreditanstalt für Wiederaufbau from all taxes and other fiscal charges levied in the Republic of Bolivia at the time of the conclusion or execution of the contracts referred to in article 2.

*Article 4.* The Government of the Republic of Bolivia shall allow passengers and suppliers free choice of means of transport for such transportation of persons and goods by sea or air as results from the granting of the loan, refrain from taking any measures that might exclude or impede the participation, on an equal footing, of transport enterprises having their principal place of business in the German area of application of this Agreement, and grant the relevant permits that may be necessary for the participation of such enterprises.

*Article 5.* Supplies and services for the "Lead-silver refinery" project financed from the loan shall be subject to public tender in the German area to which this Agreement applies, unless otherwise provided in individual cases.

*Article 6.* The Government of the Federal Republic of Germany attaches particular importance, with regard to supplies and services resulting from the granting of the loan, to preference being given to the opportunities provided by *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 Bolivia within three months after the date of entry into force of this Agreement.

*Article 8.* This Agreement shall enter into force on the date of signature thereof.

DONE at La Paz on 10 March 1978, in duplicate in the German and Spanish languages, both texts being equally authentic.

For the Government of the Federal Republic of Germany:  
Dr. RACKY

For the Government of the Republic of Bolivia:  
O. ADRIÁZOLA V.