

No. 18438

**FEDERAL REPUBLIC OF GERMANY
and
ZAMBIA**

**Agreement concerning financial co-operation. Signed at
Lusaka on 24 July 1978**

Authentic texts: German and English.

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

**RÉPUBLIQUE FÉDÉRALE D'ALLEMAGNE
et
ZAMBIE**

**Accord de coopération financière. Signé à Lusaka le
24 juillet 1978**

Textes authentiques : allemand et anglais.

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

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

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

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

Have agreed as follows:

Article 1. (1) The Government of the Federal Republic of Germany shall enable the Government of the Republic of Zambia to raise with the Kreditanstalt für Wiederaufbau (Development Loan Corporation), Frankfurt/Main, a loan up to DM 27,000,000 (twenty-seven million Deutsche Mark) for the project "Expansion of Sugar Production" if, after examination, it 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 Republic of Zambia 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 Republic of Zambia shall exempt the Kreditanstalt für Wiederaufbau from all taxes and other public charges levied in the Republic of Zambia 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 Zambia 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 such enterprises as required.

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.

¹ Came into force on 24 July 1978 by signature, in accordance with article 8.

Article 6. With regard to supplies and services resulting from the granting of the loan, the Government of the Federal Republic of Germany attaches particular importance to preferential use being made of the economic potential 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 contrary declaration to the Government of the Republic of Zambia 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 Lusaka on 24 July 1978, in duplicate in the English and German languages, both texts being equally authentic.

[Signed — Signé]¹

For the Government
of the Republic of Zambia

For the Government
of the Federal Republic of Germany:

[Signed — Signé]²

¹ Signed by John M. Mwanakatwe — Signé par John M. Mwanakatwe.

² Signed by Dr. Wolfram Dufner — Signé par Wolfram Dufner.