

**No. 18434**

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**FEDERAL REPUBLIC OF GERMANY  
and  
MALAWI**

**Agreement concerning financial co-operation — *Hydroelectric power project Nkula Falls II*. Signed at Blantyre-Limbe on 17 November 1977**

*Authentic texts: German and English.*

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

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**RÉPUBLIQUE FÉDÉRALE D'ALLEMAGNE  
et  
MALAWI**

**Accord de coopération financière — *Projet « Centrale hydroélectrique des chutes du Nkula (phase II) »*. Signé à Blantyre-Limbe le 17 novembre 1977**

*Textes authentiques : allemand et anglais.*

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

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

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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 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 Malawi,

Have agreed as follows:

*Article 1.* (1) The Government of the Federal Republic of Germany shall enable the Government of the Republic of Malawi to raise with the Kreditanstalt für Wiederaufbau (Development Loan Corporation), Frankfurt/Main, a loan up to DM 12,000,000 (twelve million German Marks) for the hydroelectric power project Nkula Falls II.

(2) The project referred to in paragraph 1 above may be replaced by other projects if the Government of the Republic of Malawi and the Government of the Federal Republic of Germany so agree.

*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 Reserve Bank of the Republic 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 Republic of Malawi at the time of the conclusion, or during the implementation, of the agreement 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

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

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.

*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.

*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]<sup>1</sup>

For the Government  
of the Federal Republic of Germany:

[Signed — Signé]<sup>2</sup>

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<sup>1</sup> Signed by D. J. Matenje — Signé par D. J. Matenje.

<sup>2</sup> Signed by Erhard Holtermann — Signé par Erhard Holtermann.