No. 18518

FEDERAL REPUBLIC OF GERMANY and PERU

Agreement concerning financial co-operation (with annex). Signed at Lima on 25 May 1979

Authentic texts: German and Spanish.

Registered by the Federal Republic of Germany on 14 April 1980.

RÉPUBLIQUE FÉDÉRALE D'ALLEMAGNE et PÉROU

Accord de coopération financière (avec annexe). Signé à Lima le 25 mai 1979

Textes authentiques: allemand et espagnol.

Enregistré par la République fédérale d'Allemagne le 14 avril 1980.

[Translation — Traduction]

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

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

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

Desiring to strengthen and enhance these friendly relations as partners in financial co-operation,

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

Intending to promote economic and social development in the Republic of Peru, Have agreed as follows:

- Article 1. The Government of the Federal Republic of Germany shall enable the Government of the Republic of Peru to raise a loan up to a total of DM 10 million (10 million deutsche mark) with the Kreditanstalt für Wiederaufbau, Frankfurt-on-Main, to defray the foreign exchange costs of importing goods and services to meet current civilian requirements, and the costs, in foreign and national currencies, of transporting, insuring and assembling financed imports. Such supplies and services shall be limited to those specified in the annex to this Agreement for which supply or service contracts have been concluded after the entry into force of the loan agreement to be concluded pursuant to article 2.
- Article 2. 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.
- Article 3. The Government of the Republic of Peru shall exempt the Kreditanstalt für Wiederaufbau from all taxes and other fiscal charges levied in the Republic of Peru in connection with the conclusion and execution of the contracts to be concluded pursuant to article 2.
- Article 4. The Government of the Republic of Peru 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.

 $^{^{1}}$ Came into force on 25 May 1979 by signature, in accordance with article 7.

- Article 5. 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 commercial opportunities provided by Land Berlin.
- Article 6. 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 declaration to the contrary to the Government of the Republic of Peru within three months after the entry into force of this Agreement.
- Article 7. This Agreement shall enter into force on the date of its signature.

 Done at Lima on 25 May 1979 in duplicate, in the German and Spanish languages, both texts being equally authentic.

For the Government of the Federal Republic of Germany:

HANS-WERNER LOECK

Ambassador of the Federal Republic of Germany

For the Government of the Federal Republic of Peru: [Ambassador]¹ Carlos García-Bedoya Zapata Minister for Foreign Affairs

ANNEX

- (1) List of goods and services which pursuant to article 1 of the Agreement of 25 May 1979, may be financed from the loan:
- (a) Industrial raw materials and supplies, and semi-manufactures;
- (b) Industrial equipment, agricultural machinery and implements;
- (c) Spare parts and accessories of all kinds;
- (d) Chemical products, in particular fertilizers, plant health requisites and pesticides, pharmaceuticals;
- (e) Other industrial products of importance for the development of the Republic of Peru;
- (f) Advisory services, patents and licence fees.
- (2) Imports not covered by this list may be financed only with the prior approval of the Government of the Federal Republic of Germany.
- (3) The importation of luxury items and consumer goods for private use, and of goods and installations serving military purposes, shall not be financed from the loan.

¹ The text between brackets appears only in the Spanish authentic text.