

No. 18504

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**FEDERAL REPUBLIC OF GERMANY**  
and  
**NEPAL**

**Agreement concerning financial co-operation—*Kankai Multipurpose Project*. Signed at Kathmandu on 19 November 1978**

*Authentic texts: German, Nepalese and English.*

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

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**RÉPUBLIQUE FÉDÉRALE D'ALLEMAGNE**  
et  
**NÉPAL**

**Accord de coopération financière — *Projet à objectifs multiples de Kankai*. Signé à Katmandou le 19 novembre 1978**

*Textes authentiques : allemand, népalais et anglais.*

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

## AGREEMENT<sup>1</sup> BETWEEN THE GOVERNMENT OF THE FEDERAL REPUBLIC OF GERMANY AND HIS MAJESTY'S GOVERN- MENT OF NEPAL CONCERNING FINANCIAL CO-OPERATION

The Government of the Federal Republic of Germany and His Majesty's Government of Nepal,

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

Desiring to strengthen and intensify those friendly relations by financial co-operation in a spirit of partnership,

Aware that the maintenance of those relations constitutes the basis of the present Agreement,

Intending to contribute to social and economic development in the Kingdom of Nepal,

Have agreed as follows:

*Article 1.* (1) The Government of the Federal Republic of Germany shall enable His Majesty's Government of Nepal to obtain from the Kreditanstalt für Wiederaufbau (Development Loan Corporation), Frankfurt/Main, a financing contribution up to DM 50,000,000 (fifty million Deutsche Mark) for the Kankai multipurpose project if after examination the project is found to be eligible for promotion.

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

*Article 2.* The utilization of the financing contribution as well as the terms and conditions on which it is granted shall be governed by the provisions of the financing agreement to be concluded between the Kreditanstalt für Wiederaufbau and His Majesty's Government of Nepal, which shall be subject to the laws and regulations applicable in the Federal Republic of Germany.

*Article 3.* His Majesty's Government of Nepal shall exempt the Kreditanstalt für Wiederaufbau from all taxes and other public charges levied in the Kingdom of Nepal in connection with the conclusion or implementation of the agreement referred to in article 2 of this Agreement.

*Article 4.* His Majesty's Government of Nepal shall allow passengers and suppliers free choice of transport enterprises for such transportation by sea, land or air of persons and goods as results from the granting of the contribution, 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 this Agreement, and grant permits for the participation of such enterprises as required.

*Article 5.* Supplies and services for projects financed from the contribution shall, unless otherwise provided for in individual cases, be subject to international public tender.

<sup>1</sup> Came into force on 19 November 1978 by signature, in accordance with article 8.

*Article 6.* With regard to supplies and services resulting from the granting of the contribution, 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 a contrary declaration to His Majesty's Government of Nepal 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 Kathmandu on 19 November 1978 in duplicate in the German, Nepali and English languages, all three texts being authentic. In case of divergent interpretations of the German and Nepali texts, the English text shall prevail.

For the Government  
of the Federal Republic of Germany:

[Signed — Signé]<sup>1</sup>

[Signed — Signé]<sup>2</sup>

For His Majesty's Government  
of Nepal:

[Signed — Signé]<sup>3</sup>

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<sup>1</sup> Signed by K. Maes — Signé par K. Maes.

<sup>2</sup> Signed by C. W. Sanne — Signé par C. W. Sanne.

<sup>3</sup> Signed by Devendra R. Panday — Signé par Devendra R. Panday.