

No. 18495

**FEDERAL REPUBLIC OF GERMANY
and
PAKISTAN**

**Agreement concerning financial co-operation. Signed at
Islamabad on 8 November 1978**

Authentic texts: German and English.

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

**RÉPUBLIQUE FÉDÉRALE D'ALLEMAGNE
et
PAKISTAN**

**Accord de coopération financière. Signé à Islamabad le
8 novembre 1978**

Textes authentiques : allemand et anglais.

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

AGREEMENT¹ BETWEEN THE PRESIDENT OF THE ISLAMIC REPUBLIC OF PAKISTAN AND THE GOVERNMENT OF THE FEDERAL REPUBLIC OF GERMANY CONCERNING FINANCIAL COOPERATION

The Government of the Islamic Republic of Pakistan and the Government of the Federal Republic of Germany,

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

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

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

Intending to contribute to social and economic development in the Islamic Republic of Pakistan,

Have agreed as follows:

Article 1. (1) The Government of the Federal Republic of Germany shall enable the Government of the Islamic Republic of Pakistan and/or other borrowers to be jointly selected by the two Governments to raise with the Kreditanstalt für Wiederaufbau (Development Loan Corporation), Frankfurt/Main, loans up to a total of DM 25,000,000 (twenty-five million Deutsche Mark) for the Ghotki Fresh Groundwater (Tubewells) Project if, after appraisal, it has been found eligible for assistance.

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

Article 2. (1) The utilization of the loans as well as the terms and conditions on which they are granted shall be governed by the provisions of the agreements to be concluded between the borrowers and the Kreditanstalt für Wiederaufbau, which shall be subject to the laws and regulations applicable in the Federal Republic of Germany.

(2) The Government of the Islamic Republic of Pakistan, to the extent that it is not itself the borrower, shall guarantee to the Kreditanstalt für Wiederaufbau all payments in Deutsche Mark to be made in fulfilment of the borrowers' liabilities under the agreements to be concluded pursuant to paragraph 1 above.

Article 3. The Government of the Islamic Republic of Pakistan shall exempt the Kreditanstalt für Wiederaufbau from all taxes and other public charges levied in the Islamic Republic of Pakistan in connection with the conclusion or implementation of the agreements referred to in article 2 of this Agreement.

Article 4. The Government of the Islamic Republic of Pakistan 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 loans,

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

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 loans shall, unless otherwise provided for in individual cases, be subject to international public tender.

Article 6. With regard to supplies and services resulting from the granting of the loans, 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 the Government of the Islamic Republic of Pakistan within three months of 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 Islamabad on 8 November 1978 in duplicate in the English and German languages, both texts being equally authentic.

[Signed — Signé]¹

[Signed — Signé]³

[Signed — Signé]²

For the Government
of the Federal Republic of Germany

For the Government
of the Islamic Republic of Pakistan

¹ Signed by Ulrich Scheske — Signé par Ulrich Scheske.

² Signed by Franz Klamsner — Signé par Franz Klamsner.

³ Signed by Safraz Khan Malik — Signé par Safraz Khan Malik.