

No. 18542

**FEDERAL REPUBLIC OF GERMANY
and
MALAWI**

**Agreement concerning financial co-operation (with annex).
Signed at Blantyre on 26 May 1979**

Authentic texts: German and English.

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

**RÉPUBLIQUE FÉDÉRALE D'ALLEMAGNE
et
MALAWI**

**Accord de coopération financière (avec annexe). Signé à
Blantyre le 26 mai 1979**

Textes authentiques : allemand et anglais.

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

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

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

Having regard to resolution 165 (S-IX) of 11 March 1978² of the Trade and Development Board (UNCTAD) in which the industrialized countries state their readiness to adjust the terms of past official development assistance credits to poorer developing countries, particularly the least developed among them, in order to bring them into line with the currently prevailing softer terms, or to adopt other equivalent measures,

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 financial co-operation 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 Republic of Malawi,

Have agreed as follows:

Article 1. (1) The Government of the Federal Republic of Germany shall provide for the loan agreements, as listed in the annex to this Agreement, concerning a total of DM 100,467,000 (one hundred million four hundred and sixty-seven thousand deutsche mark), which were concluded, on the basis of the intergovernmental agreements also listed in the annex, by the Government of the Republic of Malawi or other borrowers jointly determined by the two Governments with the Kreditanstalt für Wiederaufbau (Development Loan Corporation), Frankfurt/Main, to be amended to the effect that:

- (a) As from 31 December 1978, the loans granted to the Government of the Republic of Malawi shall be turned into grants and hence amortization payments and interest payments falling due under the aforementioned loan agreements from that date onwards be remitted;
- (b) The amortization payments and interest payments due as from 31 December 1978 on tranche I of the loan granted to the Malawi Railways Ltd. shall no longer be made to the Kreditanstalt für Wiederaufbau but in local currency to the Government of the Republic of Malawi with the effect that the debts are discharged, while the amortization and interest payment obligations to the Kreditanstalt für Wiederaufbau on tranche II shall remain unaffected; and

¹ Came into force on 26 May 1979 by signature, in accordance with article 5.

² United Nations Conference on Trade and Development, *Official Records of the Trade and Development Board, Ninth Special Session, Resolution and Decisions, Supplement No. 1 (TD/B/701)*, p. 1.

(c) As from 1 July 1978, commitment charges shall not be made on amounts not disbursed under the aforementioned loan agreements, with the exception of tranche II of the loan referred to in sub-paragraph (b) above.

(2) Pursuant to paragraph 1 above and subject to the agreements to be concluded with the Kreditanstalt für Wiederaufbau in accordance with article 3 of this Agreement, amortization payments totalling DM 87,920,100 (eighty-seven million nine hundred and twenty thousand one hundred deutsche mark) plus interest payments and commitment charge shall be remitted.

Article 2. (1) The Government of the Federal Republic of Germany shall enable the Government of the Republic of Malawi to obtain from the Kreditanstalt für Wiederaufbau, Frankfurt/Main, financing contributions on a grant basis to replace the loans totalling DM 2,115,104.98 (two million one hundred and fifteen thousand one hundred and four deutsche mark) committed under:

(a) The note of 18 December 1974;

(b) The record of negotiation of 16 November 1977.

(2) Separate intergovernmental arrangements shall be concluded on the financing contributions pursuant to paragraph 1 (a) and (b) above.

Article 3. Further details shall be settled in separate agreements to be concluded between the Government of the Republic of Malawi and the Kreditanstalt für Wiederaufbau, which shall be subject to the laws and regulations applicable in the Federal Republic of Germany.

Article 4. 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 5. This Agreement shall enter into force on the date of signature thereof.

DONE at Blantyre on 26 May 1979 in duplicate in the English and German languages, both texts being equally authentic.

For the Government
of the Republic of Malawi:

[Signed — Signé]¹

For the Government
of the Federal Republic
of Germany:

[Signed — Signé]²

¹ Signed by Edward Bwanali — Signé par Edward Bwanali.

² Signed by Dr. Erhard Holtermann — Signé par Erhard Holtermann.

ANNEX PURSUANT TO ARTICLE 1 OF THE AGREEMENT BETWEEN THE GOVERNMENT OF THE REPUBLIC OF MALAWI AND THE GOVERNMENT OF THE FEDERAL REPUBLIC OF GERMANY CONCERNING FINANCIAL CO-OPERATION

Article 1 shall apply to the following:

- The intergovernmental agreements of 25 September 1964, 15 September 1965, 8 August 1966, 22 April 1968, 4 September 1968, 7 October 1970, 19 April 1971, 17 July 1974,¹ 31 December 1974,² 1 April 1976,³ 19 November 1976,⁴ 17 November 1977;⁵
 - The loan agreements of 10 March 1965, 8 August 1966, 15 September 1965, 27 August 1968, 18 November 1968, 8 October 1970, 18 August 1971, 5 September 1975, 19 November 1976, 2 October 1974, 19 January 1978, 30 May 1978, 3 October 1978.
-

¹ United Nations, *Treaty Series*, vol. 983, p. 269.

² *Ibid.*, vol. 1009, p. 87.

³ *Ibid.*, vol. 1073, p. 251.

⁴ *Ibid.*, p. 259.

⁵ *Ibid.*, vol. 1165, No. I-18433.