

**No. 18487**

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**FEDERAL REPUBLIC OF GERMANY  
and  
TURKEY**

**Agreement concerning the granting of financial assistance  
(with annex). Signed at Bonn on 28 July 1978**

*Authentic texts: German, Turkish and English.*

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

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**RÉPUBLIQUE FÉDÉRALE D'ALLEMAGNE  
et  
TURQUIE**

**Accord concernant l'octroi d'une aide financière (avec  
annexe). Signé à Bonn le 28 juillet 1978**

*Textes authentiques : allemand, turc 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 THE GOVERNMENT OF THE  
REPUBLIC OF TURKEY CONCERNING THE GRANTING OF  
FINANCIAL ASSISTANCE

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

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

Desiring to strengthen and intensify those friendly relations by fruitful co-operation 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 Turkey,

Have agreed as follows:

*Article 1.* The Government of the Federal Republic of Germany shall extend to the Government of the Republic of Turkey further bilateral financial assistance for 1978 in addition to the financial assistance of DM 180 million agreed under the Agreements of 7 April and 9 May 1978,<sup>2</sup> to enable it to realize the objectives of its Development Plan within the framework of the Consortium for Turkey of the Organization for Economic Cooperation and Development (OECD).

*Article 2.* (1) The Government of the Federal Republic of Germany shall enable the Government of the Republic of Turkey to raise with the Kreditanstalt für Wiederaufbau (Development Loan Corporation), Frankfurt/Main, a loan up to DM 100,000,000 (one hundred million Deutsche Mark).

(2) The loan shall be used to meet foreign exchange costs resulting from the purchase of goods and services to cover current civilian requirements pursuant to the list annexed to the present Agreement and for which supply or service contracts have been concluded after 1 January 1978.

*Article 3.* (1) The loan referred to in article 2 of the present Agreement shall have a maturity of thirty years including a grace period of ten years. The rate of interest shall be two per cent per annum.

(2) 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 Türkiye Cumhuriyeti Merkez Bankasi and the Kreditanstalt für Wiederaufbau, which shall be subject to the laws and regulations applicable in the Federal Republic of Germany. The Merkez Bankasi shall in this connection act on behalf of the Government of the Republic of Turkey.

*Article 4.* The Government of the Republic of Turkey shall exempt the Kreditanstalt für Wiederaufbau from all taxes and other public charges levied in

<sup>1</sup> Came into force retroactively on 28 July 1978, the date of signature, after the Government of the Federal Republic of Germany and the Government of the Republic of Turkey had informed each other (on 1 and 13 September 1978) of the fulfilment of their national requirements, in accordance with article 8.

<sup>2</sup> United Nations, *Treaty Series*, vol. 1165, Nos. 18463 and 18464.

the Republic of Turkey at the time of the conclusion, or during the implementation, of the agreements referred to in article 3 (2) of the present Agreement.

*Article 5.* The Government of the Republic of Turkey shall allow passengers and suppliers free choice of transport enterprises for such transportation by land, 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 transport enterprises having their place of business in the German area of application of the present Agreement, and grant permits for the participation of such enterprises as required.

*Article 6.* With regard to supplies and services resulting from the granting of the loan, 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 5 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 Turkey within three months of the date of entry into force of this Agreement.

*Article 8.* The present Agreement shall enter into force retroactively on the date of signature thereof as soon as the Government of the Republic of Turkey and the Government of the Federal Republic of Germany have informed each other that their national requirements for the entry into force of the Agreement have been fulfilled.

DONE at Bonn on 28 July 1978 in duplicate in the German, Turkish and English languages, all three texts being authentic. In case of divergent interpretations of the German and Turkish texts, the English text shall prevail.

For the Government  
of the Federal Republic of Germany:

[Signed — Signé]<sup>1</sup>

For the Government  
of the Republic of Turkey:

[Signed — Signé]<sup>2</sup>

ANNEX TO THE AGREEMENT OF 28 JULY 1978 BETWEEN THE GOVERNMENT OF THE FEDERAL REPUBLIC OF GERMANY AND THE GOVERNMENT OF THE REPUBLIC OF TURKEY CONCERNING THE GRANTING OF FINANCIAL ASSISTANCE

List of goods and services eligible for financing from the loan up to a total value of DM 100,000,000 (one hundred million Deutsche Mark) under article 2 of the Agreement of 28 July 1978:

- a) Industrial raw and auxiliary materials as well as semi-manufactures,
- b) Industrial equipment as well as agricultural machinery and implements,
- c) Spare parts and accessories of all kinds,
- d) Chemical products,
- e) Advisory services and licence fees,

<sup>1</sup> Signed by Peter Hermes — Signé par Peter Hermes.

<sup>2</sup> Signed by V. Halefoglu — Signé par V. Halefoglu.

f) The costs of transport, insurance and assembly arising in connection with the importation of goods financed under the present Agreement.

Imports not included in the above list may only be financed with the prior approval of the Government of the Federal Republic of Germany.

The importation of consumer goods for personal needs, especially luxury goods, as well as any goods and facilities serving military purposes, may not be financed from the loan.