No. 18540

FEDERAL REPUBLIC OF GERMANY and BRAZIL

Protocol concerning financial co-operation – Irrigation Curu-Paraipaba (Phase II), Ceara, Project. Signed at Brasília on 4 April 1979

Authentic texts: German and Portuguese. Registered by the Federal Republic of Germany on 14 April 1980.

RÉPUBLIQUE FÉDÉRALE D'ALLEMAGNE et BRÉSIL

Protocole de coopération financière – Projet d'irrigation de Curu-Paraipaba (phase II), à Ceara. Signé à Brasília le 4 avril 1979

Textes authentiques : allemand et portugais. Enregistré par la République fédérale d'Allemagne le 14 avril 1980. [TRANSLATION — TRADUCTION]

PROTOCOL¹ BETWEEN THE GOVERNMENT OF THE FEDERAL REPUBLIC OF GERMANY AND THE GOVERNMENT OF THE FEDERATIVE REPUBLIC OF BRAZIL CONCERNING FINAN-CIAL CO-OPERATION

The Government of the Federal Republic of Germany and the Government of the Federative Republic of Brazil,

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

Desiring to strengthen and enhance these friendly relations by financial cooperation in a spirit of partnership,

Aware that the maintenance of these relations constitutes the basis for the present Protocol,

Intending to promote economic and social development in Brazil, Have agreed as follows:

Article 1. (1) The Government of the Federal Republic of Germany shall enable the Government of the Federative Republic of Brazil, or another borrower jointly selected by the two Governments, to raise a loan up to a total of DM 26 million with the Kreditanstalt für Wiederaufbau, Frankfurt-on-Main, for the Irrigation Curu-Paraipaba (Phase II), Ceara, Project, provided that, on examination the project is deemed worthwhile.

(2) The project specified in paragraph 1 may be replaced by other projects if the Government of the Federal Republic of Germany and the Government of the Federative Republic of Brazil so agree.

Article 2. (1) Utilization of this loan as well as the terms and conditions on which it is 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.

(2) The Government of the Federative Republic of Brazil, in so far as it is not itself the borrower, shall guarantee to the Kreditanstalt für Wiederaufbau all payments in deutsche mark in discharge of the borrower's liabilities under the contracts to be concluded pursuant to paragraph 1.

Article 3. The Government of the Federative Republic of Brazil shall exempt the Kreditanstalt für Wiederaufbau from all taxes and other fiscal charges levied in the Federative Republic of Brazil in connection with the conclusion and execution of the contracts referred to in article 2.

Article 4. With respect to the transport of passengers and goods by sea and air as a result of the present Protocol, neither Contracting Party shall exclude or impede the other Contracting Party's regular transport enterprises from equal participation and shall issue any permits that may be necessary for such transport.

¹ Came into force on 4 April 1979 by signature, in accordance with article 8.

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

Article 6. 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 economic opportunities provided by Land Berlin.

Article 7. With the exception of those provisions of article 4 which refer to air transport this Protocol 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 Federative Republic of Brazil within three months after the entry into force of this Protocol.

[Article 8]¹. This Protocol shall enter into force on the date of its signature.

DONE at Brasília on 4 April 1979, in duplicate in the German and Portuguese languages, both texts being equally authentic.

For the Government of the Federal Republic of Germany:

Dr. Peter Hermes

For the Government of the Federative Republic of Brazil:

R. S. GUERREIRO

 $^{^1}$ The text between brackets appears only in the Portuguese authentic text.