

No. 18510

**FEDERAL REPUBLIC OF GERMANY
and
LESOTHO**

**Agreement concerning financial co-operation. Signed at
Maseru on 24 April 1979**

Authentic texts: German and English.

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

**RÉPUBLIQUE FÉDÉRALE D'ALLEMAGNE
et
LESOTHO**

**Accord de coopération financière. Signé à Maseru le 24 avril
1979**

Textes authentiques : allemand et anglais.

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

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

The Government of the Kingdom of Lesotho 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 equivalent measures,

In the spirit of the friendly relations existing between the Kingdom of Lesotho 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 Lesotho,

Have agreed as follows:

Article 1. (1) The Government of the Federal Republic of Germany shall provide for the loan agreements concerning a total of DM 20,000,000 (twenty million deutsche mark):

1. Of 31 May 1978,
2. Of 16 March 1978, and
3. Of 11 January 1979,

which were concluded on the basis of the intergovernmental agreements of 21 April 1977,³ of 26 April 1978⁴ and of 7 November 1978⁵ by the Government of the Kingdom of Lesotho 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 Kingdom of Lesotho 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) As from 1 July 1978, commitment charges shall not be made on amounts not disbursed under the aforementioned loan agreements.

(2) Pursuant to paragraph 1 above amortization payments totalling DM 20,000,000 (twenty million deutsche mark) plus interest payments and commit-

¹ Came into force on 24 April 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.

³ United Nations, *Treaty Series*, vol. 1093, p. 207.

⁴ *Ibid.*, vol. 1164, No. p. 39.

⁵ *Ibid.*, vol. 1166, No. I-18507.

ment charges shall, subject to the agreements to be concluded pursuant to article 3 below with the Kreditanstalt für Wiederaufbau, be waived.

Article 2. (1) The Government of the Federal Republic of Germany shall enable the Government of the Kingdom of Lesotho to obtain from the Kreditanstalt für Wiederaufbau, Frankfurt/Main, a financing contribution on a grant basis to replace the loan totalling DM 2,000,000 (two million deutsche mark) committed under the record of negotiation of 21 April 1977.

(2) A separate intergovernmental arrangement shall be concluded on the financing contribution pursuant to paragraph 1 above.

Article 3. Further details shall be settled in separate agreements to be concluded between the Government of the Kingdom of Lesotho 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 Kingdom of Lesotho 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 Maseru on 24 April 1979 in duplicate in the English and German languages, both texts being equally authentic.

For the Government
of the Kingdom of Lesotho:

[Signed — Signé]¹

For the Government
of the Federal Republic
of Germany:

[Signed — Signé]²

¹ Signed by R. Sekhonyana — Signé par R. Sekhonyana.

² Signed by Regenhardt — Signé par Regenhardt.