

**No. 20288**

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**FEDERAL REPUBLIC OF GERMANY  
and  
PORTUGAL**

**Agreement concerning financial co-operation. Signed at  
Lisbon on 7 March 1980**

*Authentic texts: German and Portuguese.*

*Registered by the Federal Republic of Germany on 31 July 1981.*

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**RÉPUBLIQUE FÉDÉRALE D'ALLEMAGNE  
et  
PORTUGAL**

**Accord de coopération financière. Signé à Lisbonne le  
7 mars 1980**

*Textes authentiques : allemand et portugais.*

*Enregistré par la République fédérale d'Allemagne le 31 juillet 1981.*

[TRANSLATION — TRADUCTION]

AGREEMENT<sup>1</sup> BETWEEN THE GOVERNMENT OF THE FEDERAL  
REPUBLIC OF GERMANY AND THE GOVERNMENT OF THE  
PORTUGUESE REPUBLIC CONCERNING FINANCIAL CO-  
OPERATION

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

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

Desiring to consolidate and strengthen these friendly relations through financial co-operation as partners,

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

Intending to contribute to social and economic development in the Portuguese Republic,

Have agreed as follows:

*Article 1.* 1. The Government of the Federal Republic of Germany shall enable the Government of the Portuguese Republic and/or other borrowers, to be chosen jointly by both Governments, to obtain loans of up to DM 55 million (fifty-five million deutsche mark) from the Kreditanstalt für Wiederaufbau (Reconstruction Loan Corporation), Frankfurt am Main.

2. The loans shall be used to finance the following projects, provided that, on examination, they are considered deserving of support:

- (a) Up to DM 27 million (twenty-seven million deutsche mark) for the development of small and medium-sized enterprises, in sectors including the agro-industrial sector, both on the continent and in the autonomous regions, through the Banco de Fomento Nacional (National Development Bank);
- (b) Up to DM 10 million (ten million deutsche mark) for the financing of the Covilhã Industrial Park;
- (c) Up to DM 3 million (three million deutsche mark) for the financing of water supply in rural areas: Viseu, Mangualde and Nelas;
- (d) Up to DM 3 million (three million deutsche mark) for the financing of wastewater disposal in rural areas: Minde and Mira d'Aire;
- (e) Up to DM 12 million (twelve million deutsche mark) for the financing of the Beja Industrial Park.

3. The projects specified in paragraph 2 above may, by agreement between the Government of the Federal Republic of Germany and the Government of the Portuguese Republic, be replaced by other projects.

*Article 2.* 1. The utilization of these loans and the terms and conditions on which they will be granted shall be determined by agreements to be concluded be-

<sup>1</sup> Came into force on 7 March 1980 by signature, in accordance with article 8.

tween the borrowers and the Kreditanstalt für Wiederaufbau, Frankfurt am Main, which shall be subject to the legal provisions applicable in the Federal Republic of Germany.

2. The Government of the Portuguese Republic, if it is not itself a borrower, shall guarantee to the Kreditanstalt für Wiederaufbau all payments in deutsche mark to be made in fulfilment of the borrowers' obligations under the agreements to be concluded pursuant to paragraph 1 above.

*Article 3.* The Government of the Portuguese Republic shall exempt the Kreditanstalt für Wiederaufbau, Frankfurt am Main, from all taxes and other public charges levied in Portugal in connection with the conclusion or execution of the agreements referred to in article 2.

*Article 4.* The Government of the Portuguese Republic shall allow passengers and suppliers free choice of transport enterprises for such sea, land or air transport of persons and goods as arises from the grant of the loans; it shall refrain from taking any measure that might exclude or impair equality of participation of transport enterprises having their principal place of business in the German area of application of this Agreement and shall grant any permits necessary for participation by such transport enterprises.

*Article 5.* Unless otherwise specified in individual cases, the provision of supplies and services for projects financed by means of the loans shall be subject to international tender.

*Article 6.* With regard to supplies and services resulting from the grant of the loans, the Government of the Federal Republic of Germany attaches particular importance to the preferential utilization of the economic potential of *Land Berlin*.

*Article 7.* With the exception of the provisions of article 4 which relate to air transport, this Agreement shall also apply to *Land Berlin*, unless the Government of the Federal Republic of Germany makes a contrary declaration to the Government of the Portuguese Republic within three months following the entry into force of the present Agreement.

*Article 8.* This Agreement shall enter into force on the date of its signature.

DONE at Lisbon on 7 March 1980, in two original copies, one each in the German and Portuguese languages, both texts being equally authentic.

For the Government of the Federal Republic of Germany:

[Signed]

JESCO VON PUTTKAMER

For the Government of the Portuguese Republic:

[Signed]

CAVACO SILVA