

No. 20243

**FEDERAL REPUBLIC OF GERMANY
and
EGYPT**

Agreement concerning financial co-operation — *Various projects (175 million DM)*. Signed at Bonn on 10 May 1979

Authentic texts: German, Arabic and English.

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

**RÉPUBLIQUE FÉDÉRALE D'ALLEMAGNE
et
ÉGYPTE**

Accord de coopération financière — *Projets divers (175 millions de DM)*. Signé à Bonn le 10 mai 1979

Textes authentiques : allemand, arabe et anglais.

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

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

The Government of the Federal Republic of Germany and the Government of the Arab Republic of Egypt,

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

Desiring to strengthen and intensify those friendly relations by fruitful collaboration in the field of economic co-operation,

Aware that the maintenance of those relations constitutes the basis of the present Agreement,

Intending to contribute to economic and social development in the Arab Republic of Egypt,

Have agreed as follows:

Article 1. (1) The Government of the Federal Republic of Germany shall enable the Government of the Arab Republic of Egypt or other borrowers to be jointly determined by the two Governments to raise with the Kreditanstalt für Wiederaufbau (Development Loan Corporation), Frankfurt/Main, loans up to a total of DM 175,000,000 (one hundred seventy-five million deutsche mark) for the projects

- (a) Abukir fertilizer factory (additional funds)
- (b) Supply of material and services for electricity projects
- (c) First phase of rehabilitation of the old plant of Helwan Iron and Steel Company
- (d) Plant for the production of ductile cast iron pipes
- (e) Microwave link Cairo-Assuan-Red Sea

if, after appraisal, the projects are found eligible for promotion.

(2) The projects referred to in paragraph 1 above may be replaced by other projects if the Government of the Federal Republic of Germany and the Government of the Arab Republic of Egypt so agree.

Article 2. (1) The utilization of the loans as well as the terms and conditions on which they are granted shall be governed by the provisions of the agreements to be concluded between the borrowers and the Kreditanstalt für Wiederaufbau, which shall be subject to the laws and regulations applicable in the Federal Republic of Germany.

(2) The Government of the Arab Republic of Egypt, to the extent that it is not itself the borrower, and the Central Bank of Egypt shall guarantee to the Kreditanstalt für Wiederaufbau all payments in deutsche mark to be made in fulfilment of the borrowers' liabilities under the agreements to be concluded pursuant to paragraph 1 above.

Article 3. The Government of the Arab Republic of Egypt shall exempt the Kreditanstalt für Wiederaufbau from all taxes and other public charges levied in the

¹ Came into force on 10 May 1979 by signature, in accordance with article 8.

Arab Republic of Egypt in connection with the conclusion and implementation of the agreements referred to in Article 2 of the present Agreement.

Article 4. The Government of the Arab Republic of Egypt 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 loans, 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 this Agreement, and grant permits for the participation of such enterprises as required.

Article 5. Supplies and services for projects financed from the loans pursuant to Article 1 (1) above shall, unless otherwise provided for in individual cases, be subject to international public tender.

Article 6. With regard to supplies and services resulting from the granting of the loans, 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 4 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 Arab Republic of Egypt within three months of the date of entry into force of this Agreement.

Article 8. The present Agreement shall enter into force on the date of signature thereof.

DONE at Bonn on May 10th, 1979 in duplicate in the German, Arabic and English languages, all three texts being authentic. In case of divergent interpretations of the German and Arabic texts, the English text shall prevail.

For the Government
of the Federal Republic of Germany:

[Signed — Signé]¹

For the Government
of the Arab Republic of Egypt:

[Signed — Signé]²

¹ Signed by Peter Hermes — Signé par Peter Hermes.

² Signed by A. M. El Nazer — Signé par A. M. El Nazer.