

No. 20246

FEDERAL REPUBLIC OF GERMANY
and
BURUNDI

**Agreement concerning financial co-operation. Signed at
Bujumbura on 27 November 1979**

Authentic texts: German and French.

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

RÉPUBLIQUE FÉDÉRALE D'ALLEMAGNE
et
BURUNDI

**Accord de coopération financière. Signé à Bujumbura le
27 novembre 1979**

Textes authentiques : allemand et français.

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

[TRANSLATION — TRADUCTION]

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

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

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

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,

With a view to contributing to social and economic development in the Republic of Burundi,

Have agreed as follows:

Article 1. 1. The Government of the Federal Republic of Germany shall enable the Government of the Republic of Burundi to obtain financial contributions of up to DM 36 million (thirty-six million deutsche mark) from the Kreditanstalt für Wiederaufbau (Reconstruction Loan Corporation), Frankfurt am Main, for the following projects:

- (a) Ngozi/Kayanza Electrical Power Supply (up to DM 7 million);
- (b) Rutana and Gihofi Electrical Power Supply (up to DM 8 million);
- (c) Kirundo Electrical Power Supply (up to DM 3.5 million);
- (d) Bujumbura Water Supply, Phase I (up to DM 7 million);
- (e) Improvement of Rural Water Supply Centres (up to DM 3 million);
- (f) Bridges Programme (up to DM 3 million);
- (g) Study fund (up to DM 2.5 million);
- (h) Credit for Banque Nationale de Développement Economique (BNDE) (National Bank for Economic Development) (up to DM 2 million);

provided that, on examination, they are considered deserving of support. Out of the said amount, DM 1.5 million (one million five hundred thousand deutsche mark) represents residual funds under prior commitments.

2. The Government of the Federal Republic of Germany shall enable the Deutsche Gesellschaft für wirtschaftliche Zusammenarbeit (DEG) mbH (German Company for Economic Co-operation), Cologne, to increase its interest in the Banque Nationale de Développement Economique (BNDE) from FBu 26.63 million to FBu 53.51 million, i.e., 17.27 per cent of the share capital, which is raised to FBu 310 million, provided that, on examination, this measure is considered deserving of support. For the capital contribution of FBu 23.97 million thus required in addition

¹ Came into force on 27 November 1979 by signature, in accordance with article 10.

to the issue of bonus shares for a value of FBu 2.91 million, the Government of the Federal Republic of Germany shall make DM 500,000 (five hundred thousand deutsche mark) available to DEG.

3. In view of the financial contribution already provided under the inter-governmental agreement of 7 June 1979¹ (DM 5 million), the amounts specified in paragraphs 1 and 2 above are increased to a total of DM 41.5 million (forty-one million five hundred thousand deutsche mark).

4. The projects specified in paragraphs 1 and 2 above may, by agreement between the Government of the Federal Republic of Germany and the Government of the Republic of Burundi, be replaced by other projects.

Article 2. 1. The utilization of the financial contributions in accordance with article 1, paragraph 1, and the terms and conditions on which they will be granted shall be determined by financing agreements to be concluded between the Kreditanstalt für Wiederaufbau and the Government of the Republic of Burundi, which shall be subject to the legal provisions applicable in the Federal Republic of Germany.

2. The increase in the interest of DEG referred to in article 1, paragraph 2, shall be effected in accordance with the statutes of BNDE.

Article 3. 1. In respect of the interest referred to in article 1, paragraph 2, the Government of the Republic of Burundi shall guarantee the unrestricted importation of all foreign currencies in connection with the acquisition of the interest and the free transfer of any profits and of the proceeds of alienation or liquidation.

2. The Government of the Republic of Burundi pledges itself on its own behalf and for the bank in Burundi which, by order of the Government, is responsible for foreign-exchange control measures, not to impede BNDE in the performance of its payment obligations with respect to DEG.

Similarly, the Government of the Republic of Burundi and the above-mentioned Burundi bank responsible for foreign-exchange control measures shall not impede the payment to DEG, by a purchaser of the interest referred to in article 1, paragraph 2, of the proceeds of alienation.

3. The Government of the Republic of Burundi shall, on request, grant "authorized status", in accordance with the laws in force in Burundi, for the DEG interest referred to in article 1.

Article 4. 1. The Government of the Republic of Burundi shall exempt the Kreditanstalt für Wiederaufbau from all taxes and other public charges levied in the Republic of Burundi in connection with the conclusion and execution of the financing agreements referred to in article 2, paragraph 1.

2. The Government of the Republic of Burundi shall exempt the Gesellschaft für wirtschaftliche Zusammenarbeit (DEG) from all taxes and other public charges levied in the Republic of Burundi in connection with the acquisition, alienation or liquidation of the interest referred to in article 1, paragraph 2, and with related profits.

Article 5. If the interest referred to in article 1 is increased through the issue of bonus shares, the guarantees and commitments made by the Government of the

¹ See p. 391 of this volume.

Republic of Burundi in articles 3 and 4 shall automatically apply also to the increased interest.

Article 6. The Government of the Republic of Burundi shall allow passengers and suppliers free choice of transport enterprises for such maritime or air transport of persons and goods as arises from the grant of the financial contributions; it shall refrain from taking any measure that might exclude or impair the 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 the participation of such transport enterprises.

Article 7. Unless otherwise specified in individual cases, the provision of supplies and services for projects financed by means of the financial contributions in accordance with article 1, paragraph 1, shall be subject to international tender.

Article 8. With regard to supplies and services resulting from the grant of the financial contribution, the Government of the Federal Republic of Germany attaches particular importance to the preferential utilization of the economic potential of *Land Berlin*.

Article 9. With the exception of the provisions of article 6 which relate to air transport, this Agreement shall also apply to *Land Berlin*, unless the Government of the Federal Republic of Germany makes a declaration to the contrary to the Government of the Republic of Burundi within three months following the entry into force of the present Agreement.

Article 10. This Agreement shall enter into force on the date of its signature.

DONE at Bujumbura on 27 November 1979, in two original copies, each in the German and French languages, both texts being equally authentic.

For the Government of the Federal Republic of Germany:

[Signed]

W. VOGEL

C. W. SANNE

For the Government of the Republic of Burundi:

[Signed]

BIHUTE
