

No. 20282

**FEDERAL REPUBLIC OF GERMANY
and
LESOTHO**

**Agreement concerning financial co-operation (with annex).
Signed at Maseru on 17 October 1979**

Authentic texts: German and English.

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

**RÉPUBLIQUE FÉDÉRALE D'ALLEMAGNE
et
LESOTHO**

**Accord de coopération financière (avec annexe). Signé à
Maseru le 17 octobre 1979**

Textes authentiques : allemand et anglais.

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

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,

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 through 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 the Kingdom of Lesotho,

Have agreed as follows:

Article 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 (Development Loan Corporation), Frankfurt/Main, a financial contribution of up to DM 15,000,000 (fifteen million deutsche mark) to meet foreign exchange costs resulting from the purchase of goods and services to cover current civilian requirements, and to meet foreign exchange and local currency costs of transport, insurance and assembly arising in connection with the importation of goods financed under this Agreement.

These supplies and services must be such as are covered by the list annexed to the present Agreement and for which supply or service contracts have been concluded after the entry into force of the present Agreement.

Article 2. The utilization of the financial contribution as well as the terms and conditions on which it is granted shall be governed by the provisions of the financing agreement 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 3. The Government of the Kingdom of Lesotho shall exempt the Kreditanstalt für Wiederaufbau from all taxes and other public charges levied in the Kingdom of Lesotho in connection with the conclusion and implementation of the financing agreement referred to in Article 2 above.

Article 4. The Government of the Kingdom of Lesotho shall allow passengers and suppliers free choice of transport enterprises for such transportation by sea, land or air of persons and goods as results from the granting of the financial contribution, abstain from taking any measures that might exclude or impair the participation of transport enterprises having their place of business in the German area of application

¹ Came into force on 17 October 1979 by signature, in accordance with article 7.

of this Agreement, and grant any necessary permits for the participation of such enterprises.

Article 5. With regard to supplies and services resulting from the granting of the financial contribution, the Government of the Federal Republic of Germany attaches particular importance to preferential use being made of the economic potential of Land Berlin.

Article 6. 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 Kingdom of Lesotho within three months of the date of entry into force of this Agreement.

Article 7. This Agreement shall enter into force on the date of signature thereof.

DONE at Maseru on 17.10.79 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

ANNEX TO THE AGREEMENT OF 17.10.79 BETWEEN THE GOVERNMENT OF THE KINGDOM OF LESOTHO AND THE GOVERNMENT OF THE FEDERAL REPUBLIC OF GERMANY CONCERNING FINANCIAL CO-OPERATION

1. List of goods and services eligible for financing from the financial contribution under Article 1 of the Agreement of [17 October 1979]:

- (a) Industrial raw and auxiliary materials as well as semi-manufactures,
- (b) Industrial equipment as well as agricultural machinery and implements,
- (c) Spare parts and accessories of all kinds,
- (d) Chemical products, in particular fertilizers, plant protection agents, pesticides, medicines,
- (e) Other industrial products of importance for the development of the Kingdom of Lesotho,
- (f) Advisory services, patents and licence fees.

2. Imports not included in the above list may only be financed with the prior approval of the Government of the Federal Republic of Germany.

3. The importation of luxury and consumer goods for personal needs as well as any goods and facilities serving military purposes may not be financed from the financial contribution.

¹ Signed by Sekhonyana — Signé par Sekhonyana.

² Signed by Regenhardt — Signé par Regenhardt.