

**No. 20369**

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**BRAZIL  
and  
FEDERAL REPUBLIC OF GERMANY**

**Protocol concerning financial co-operation. Signed at  
Brasília on 12 June 1981**

*Authentic texts: Portuguese and German.*

*Registered by Brazil on 29 August 1981.*

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**BRÉSIL  
et  
RÉPUBLIQUE FÉDÉRALE D'ALLEMAGNE**

**Protocole de coopération financière. Signé à Brasília le  
12 juin 1981**

*Textes authentiques : portugais et allemand.*

*Enregistré par le Brésil le 29 août 1981.*

## [TRANSLATION — TRADUCTION]

PROTOCOL<sup>1</sup> BETWEEN THE GOVERNMENT OF THE FEDERATIVE REPUBLIC OF BRAZIL AND THE GOVERNMENT OF THE FEDERAL REPUBLIC OF GERMANY CONCERNING FINANCIAL CO-OPERATION

The Government of the Federative Republic of Brazil and

The Government of the Federal Republic of Germany,

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

Desiring to strengthen and enhance those friendly relations through financial co-operation as partners,

Aware that the maintenance of those relations constitutes the basis of this Protocol,

Intending to contribute to economic and social development in the Federative Republic of Brazil,

Have agreed as follows:

*Article 1.* 1. The Government of the Federal Republic of Germany shall enable the Government of the Federative Republic of Brazil, or other borrowers to be chosen jointly by the two Governments, to obtain loans totalling not more than 56.74 million DM (fifty-six million seven hundred forty thousand deutsche mark) in accordance with paragraphs 2 and 3.

2. Out of the total loan amount of 56.74 million deutsche mark referred to in paragraph 1, up to 10.9 million deutsche mark shall be made available for the project "Flood-Control Works on the Rio dos Sinos in Rio Grande do Sul"; up to 15.0 million deutsche mark for the "Second Health Project for the State of Santa Catarina"; up to 25.84 million deutsche mark for the project "Connected System in the North-East—Pará/Centraís Eléctricas do Pará (CELPA)"; and up to 5.0 million deutsche mark for the project "Irrigation in Icó-Lima Campos/CE".

3. The projects referred to in paragraph 2 may be replaced with other projects by agreement between the Government of the Federative Republic of Brazil and the Government of the Federal Republic of Germany.

*Article 2.* 1. The utilization of the loans referred to in article 1, paragraphs 2 and 3, as well as the conditions on which they are granted by contracts concluded between the borrowers and the Kreditanstalt für Wiederaufbau shall be subject to the legislation in force in the Federal Republic of Germany.

2. The Government of the Federative Republic of Brazil, in so far as it is not the borrower, shall guarantee to the Kreditanstalt für Wiederaufbau all payments in deutsche mark in fulfilment of the borrower's obligations under the contracts to be concluded in accordance with paragraph 1.

*Article 3.* The Kreditanstalt für Wiederaufbau shall be exempt from all taxes and other fiscal charges to which it may be liable in the Federative Republic of Germany.

<sup>1</sup> Came into force on 12 June 1981 by signature, in accordance with article 8.

lic of Brazil in connection with the conclusion and performance of the contracts referred to in article 2.

*Article 4.* With respect to the transport of passengers and, in so far as necessary and after the conclusion of agreements with the competent Brazilian and German authorities, of goods:

- (a) In the case of air transport, neither Contracting Party shall prevent or obstruct the participation, with equality of rights, of the other Contracting Party's transport enterprises operating regular airline services, and each Contracting Party shall grant the necessary authorizations for carrying out such transport;
- (b) In the case of sea transport, the provisions of the Agreement on Sea Transport between the Federative Republic of Brazil and the Federal Republic of Germany, signed on 4 April 1979, and of the Additional Protocol thereto, signed on the same date, shall apply.

*Article 5.* The supply of goods and services for projects financed from the loans shall be the subject of international public tender, unless otherwise decided in individual cases.

*Article 6.* It is particularly important for the Government of the Federal Republic of Germany that, in the case of the supply of goods resulting from the granting of loans, preference should be given to products of the industry of *Land Berlin*.

*Article 7.* With the exception of the provisions of article 4 which relate to air transport, this Protocol shall also apply to *Land Berlin*, provided that the Government of the Federal Republic of Germany does not make a declaration to the contrary to the Government of the Federative Republic of Brazil within three months after the entry into force of this Protocol.

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

DONE at Brasília on 12 June 1981, in duplicate in the Portuguese and German languages, both texts being equally authentic.

For the Government  
of the Federative Republic of Brazil:

[Signed]

RAMIRO SARAIVA GUERREIRO

For the Government  
of the Federal Republic of Germany:

[Signed]

FRANZ JOACHIM SCHOELLER