

No. 21635

FEDERAL REPUBLIC OF GERMANY
and
TONGA

**Agreement concerning financial co-operation. Signed at
Bonn on 19 November 1979**

Authentic texts: German and English.

Registered by the Federal Republic of Germany on 17 March 1983.

RÉPUBLIQUE FÉDÉRALE D'ALLEMAGNE
et
TONGA

**Accord de coopération financière. Signé à Bonn le 19 no-
vembre 1979**

Textes authentiques : allemand et anglais.

Enregistré par la République fédérale d'Allemagne le 17 mars 1983.

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

The Government of the Kingdom of Tonga and the Government of the Federal Republic of Germany,

In the spirit of the friendly relations existing between the Kingdom of Tonga 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 Tonga,

Have agreed as follows:

Article 1. (1) The Government of the Federal Republic of Germany shall enable the Government of the Kingdom of Tonga to raise with the Kreditanstalt für Wiederaufbau (Development Loan Corporation), Frankfurt/Main, a loan of up to DM 6,000,000 (six million Deutsche Mark) for the project "Ferry for interinsular navigation" if, after examination, the project has been found eligible for promotion.

(2) Together with the loan of up to DM 1,000,000 (one million Deutsche Mark) made available under the Agreement of 1 December 1978 between the Government of the Kingdom of Tonga and the Government of the Federal Republic of Germany concerning Financial Co-operation² for the project "Interinsular navigation", the amount loaned under financial co-operation for the project referred to in paragraph 1 above totals up to DM 7,000,000 (seven million Deutsche Mark).

(3) The project referred to in paragraph 1 above may be replaced by other projects if the Government of the Kingdom of Tonga and the Government of the Federal Republic of Germany so agree.

Article 2. (1) The loan pursuant to article 1 (1) above shall as a special exception carry a rate of interest of 1 per cent. It shall have a maturity of 30 years, including 10 years grace.

(2) The utilization of the loan as well as the other terms and conditions on which it is granted shall be governed by the provisions of the agreements to be concluded between the borrower 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 Tonga shall exempt the Kreditanstalt für Wiederaufbau from all taxes and other public charges levied in the Kingdom of Tonga in connection with the conclusion and implementation of the agreements to be concluded pursuant to article 2 of the present Agreement.

¹ Came into force on 19 November 1979 by signature, in accordance with article 8.

² United Nations, *Treaty Series*, vol. 1167, p. 94.

Article 4. The Government of the Kingdom of Tonga shall allow passengers and suppliers free choice of transport enterprises for such transportation by sea or air of persons and goods as results from the granting of the loan, 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 any necessary permits for the participation of such enterprises.

Article 5. Supplies and services for projects financed from the loan shall, unless otherwise provided for in individual cases, be subject to public tender restricted to the German area of application of this Agreement.

Article 6. With regard to supplies and services resulting from the granting of the loan, 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 Kingdom of Tonga within three months of the date of entry into force of this Agreement.

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

DONE at Bonn on 19th November 1979, in duplicate in the English and German languages, both texts being equally authentic.

For the Government
of the Kingdom of Tonga:

[Signed — Signé]¹

For the Government
of the Federal Republic of Germany:

[Signed — Signé]²

¹ Signed by Vaea — Signé par Vaea.

² Signed by G. van Well — Signé par G. van Well.