

No. 21673

FEDERAL REPUBLIC OF GERMANY
and
SRI LANKA

**Agreement concerning financial co-operation. Signed at
Bonn on 9 May 1980**

Authentic texts: German, English and Sinhalese.

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

RÉPUBLIQUE FÉDÉRALE D'ALLEMAGNE
et
SRI LANKA

**Accord de coopération financière. Signé à Bonn le 9 mai
1980**

Textes authentiques : allemand, anglais et cinghalais.

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

AGREEMENT¹ BETWEEN THE GOVERNMENT OF THE FEDERAL REPUBLIC OF GERMANY AND THE GOVERNMENT OF THE DEMOCRATIC SOCIALIST REPUBLIC OF SRI LANKA CONCERNING FINANCIAL CO-OPERATION

The Government of the Federal Republic of Germany and the Government of the Democratic Socialist Republic of Sri Lanka,

In the spirit of the friendly relations existing between the Federal Republic of Germany and the Democratic Socialist Republic of Sri Lanka,

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 Democratic Socialist Republic of Sri Lanka,

Have agreed as follows:

Article 1. (1) The Government of the Federal Republic of Germany shall enable the Government of the Democratic Socialist Republic of Sri Lanka to raise with the Kreditanstalt für Wiederaufbau (Development Loan Corporation), Frankfurt/Main,

(a) Loans up to DM 12,000,000 (twelve million deutsche mark) for additional investments in the Embilipitiya and Valaichchenai paper mills,

(b) Loans up to DM 10,000,000 (ten million deutsche mark) for the rehabilitation of diesel railcars of the Ceylon Government Railway,

if, after examination, the projects have been 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 Democratic Socialist Republic of Sri Lanka so agree.

Article 2. 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 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 Democratic Socialist Republic of Sri Lanka shall exempt the Kreditanstalt für Wiederaufbau from all taxes and other public charges levied in the Democratic Socialist Republic of Sri Lanka in connection with the conclusion and implementation of the agreements to be concluded pursuant to article 2 of the present Agreement.

Article 4. The Government of Democratic Socialist Republic of Sri Lanka 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

¹ Came into force on 9 May 1980 by signature, in accordance with article 8.

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 any necessary permits for the participation of such enterprises.

Article 5. Supplies and services for projects financed from the loans 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 Democratic Socialist Republic of Sri Lanka 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 9th of May 1980 in duplicate in the German, English and Sinhala languages, all three texts being authentic. In case of divergent interpretations of the German and Sinhala texts, the English text shall prevail.

For the Government
of the Federal Republic of Germany:

[Signed — Signé]¹

[Signed — Signé]²

For the Government
of the Democratic Socialist Republic
of Sri Lanka:

[Signed — Signé]³

¹ Signed by Jens Petersen — Signé par Jens Petersen.

² Signed by Dr. Franz Klamser — Signé par Franz Klamser.

³ Signed by Ronnie Weerakoon — Signé par Ronnie Weerakoon.