

No. 21694

**FEDERAL REPUBLIC OF GERMANY
and
NICARAGUA**

**Agreement concerning financial co-operation. Signed at
Managua on 10 November 1980**

Authentic texts: German and Spanish.

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

**RÉPUBLIQUE FÉDÉRALE D'ALLEMAGNE
et
NICARAGUA**

**Accord de coopération financière. Signé à Managua le 10 no-
vembre 1980**

Textes authentiques : allemand et espagnol.

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

[TRANSLATION — TRADUCTION]

**AGREEMENT¹ BETWEEN THE GOVERNMENT OF THE FEDERAL
REPUBLIC OF GERMANY AND THE GOVERNMENT OF NA-
TIONAL RECONSTRUCTION OF THE REPUBLIC OF NICA-
RAGUA CONCERNING FINANCIAL CO-OPERATION**

The Government of the Federal Republic of Germany and the Government of National Reconstruction of the Republic of Nicaragua,

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

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

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

Intending to contribute to the social and economic development of Nicaragua,

Have agreed as follows:

Article 1. The Government of the Federal Republic of Germany shall enable the Government of National Reconstruction of the Republic of Nicaragua to obtain from the Kreditanstalt für Wiederaufbau (Development Loan Corporation), Frankfurt am Main, for the project "Purchase of replacement parts urgently needed for the telecommunication systems, and measuring and testing equipment", a loan of up to DM 5,000,000 (five million deutsche mark).

Article 2. The utilization of this loan as well as the terms and conditions on which it is granted shall be governed by the contracts 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 National Reconstruction of the Republic of Nicaragua shall exempt the Kreditanstalt für Wiederaufbau from all taxes and other fiscal charges levied in Nicaragua in connection with the conclusion and implementation of the contracts to be concluded pursuant to article 2.

Article 4. The Government of National Reconstruction of the Republic of Nicaragua shall allow passengers and suppliers free choice of transport enterprises for such transport by sea, land and air of persons and goods as results from the granting of the loan, refrain from taking any measures that might exclude or impede the participation of transport enterprises having their principal 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 international public tender.

¹ Came into force on 10 November 1980 by signature, in accordance with article 8.

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 preference being given to 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 declaration to the contrary to the Government of National Reconstruction of the Republic of Nicaragua within three months after the date of entry into force of this Agreement.

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

DONE at Managua on 10 November 1980 in duplicate, in the German and Spanish languages, both texts being equally authentic.

For the Government of the Federal Republic of Germany:

Dr. VOLKER HAAK

For the Government of National Reconstruction
of the Republic of Nicaragua:

JACINTO SUÁREZ
