

**No. 21647**

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**FEDERAL REPUBLIC OF GERMANY  
and  
KENYA**

**Agreement concerning financial co-operation — *Foreign  
exchange costs of products and services* (with annex).  
Signed at Nairobi on 21 July 1981**

*Authentic texts: German and English.*

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

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**RÉPUBLIQUE FÉDÉRALE D'ALLEMAGNE  
et  
KENYA**

**Accord de coopération financière — *Frais en devises  
afférents à la fourniture de marchandises et de services*  
(avec annexe). Signé à Nairobi le 21 juillet 1981**

*Textes authentiques : allemand et anglais.*

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

## AGREEMENT<sup>1</sup> BETWEEN THE GOVERNMENT OF THE REPUBLIC OF KENYA AND THE GOVERNMENT OF THE FEDERAL REPUBLIC OF GERMANY CONCERNING FINANCIAL CO-OPERATION

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The Government of the Republic of Kenya and the Government of the Federal Republic of Germany,

In the spirit of the friendly relations existing between the Republic of Kenya 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 Republic of Kenya,

Have agreed as follows:

*Article 1.* The Government of the Federal Republic of Germany shall enable the Government of the Republic of Kenya to raise the Kreditanstalt für Wiederaufbau (Development Loan Corporation), Frankfurt/M., a loan up to DM 656,000 (six hundred and fifty-six thousand 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 the present Agreement.

These supplies and services must be such as are covered by the list annexed to this Agreement and for which supply or service contracts have been concluded after the signing of the loan agreement to be concluded pursuant to article 2 of the present Agreement.

(2) The amount referred to in paragraph 1 above constitutes the balance of the loan of DM 3,500,000 (three million five hundred thousand deutsche mark) granted pursuant to the intergovernmental Agreement of 15 August 1974 (for the Kisii/Kericho credit programme (phase II)).<sup>2</sup>

*Article 2.* The utilization of the loan as well as the terms and conditions on which it is granted shall be governed by the provisions of the agreement 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 Republic of Kenya shall exempt the Kreditanstalt für Wiederaufbau from all taxes and other public charges levied in the Republic of Kenya in connection with the conclusion and implementation of the agreement to be concluded pursuant to article 2 of the present Agreement.

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<sup>1</sup> Came into force on 21 July 1981 by signature, in accordance with article 7.

<sup>2</sup> United Nations, *Treaty Series*, vol. 983, p. 99.

*Article 4.* The Government of the Republic of Kenya 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.* 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 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 Republic of Kenya 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 Nairobi on July 21, 1981 in duplicate in the English and German languages, both texts being equally authentic.

For the Government  
of the Republic of Kenya:

[Signed — Signé]<sup>1</sup>

For the Government  
of the Federal Republic of Germany:

[Signed — Signé]<sup>2</sup>

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

1. List of goods and services eligible for financing from the loan under Article 1 of the Agreement of July 21, 1981:

- (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, medicaments,
- (e) Other industrial products of importance for the development of the Republic of Kenya,
- (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 loan.

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<sup>1</sup> Signed by Mwai Kibaki — Signé par Mwai Kibaki.

<sup>2</sup> Signed by Alfred G. Kühn — Signé par Alfred G. Kühn.