

No. 21716

**FEDERAL REPUBLIC OF GERMANY
and
BURMA**

**Agreement concerning financial co-operation (with annex).
Signed at Rangoon on 20 September 1980**

Authentic texts: German, Burmese and English.

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

**RÉPUBLIQUE FÉDÉRALE D'ALLEMAGNE
et
BIRMANIE**

**Accord de coopération financière (avec annexe). Signé à
Rangoon le 20 septembre 1980**

Textes authentiques : allemand, birman et anglais.

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
SOCIALIST REPUBLIC OF THE UNION OF BURMA CONCERN-
ING FINANCIAL CO-OPERATION

The Government of the Federal Republic of Germany and the Government of the Socialist Republic of the Union of Burma,

In the spirit of the friendly relations existing between the Federal Republic of Germany and the Socialist Republic of the Union of Burma,

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 Burma,

Have agreed as follows:

Article 1. (1) The Government of the Federal Republic of Germany shall enable the Myanma Foreign Trade Bank and/or another borrower to be determined jointly by the two Governments to raise with the Kreditanstalt für Wiederaufbau (Development Loan Corporation), Frankfurt/Main, loans up to DM 110,000,000 (one hundred and ten million deutsche mark) to finance projects as follows:

(a) Nyaunggyat multi-purpose dam (power station section) DM 60,000,000

(b) Development of the electricity distribution grid DM 50,000,000

if, after examination, the projects have been found eligible for promotion.

(2) The Government of the Federal Republic of Germany shall also enable the Myanma Foreign Trade Bank to raise with the Kreditanstalt für Wiederaufbau, Frankfurt/Main, a loan of up to DM 10,000,000 (ten million 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 the present Agreement and for which supply contracts have been concluded after 1 January 1980.

(3) The Government of the Federal Republic of Germany has stated that it is willing in principle, under existing national rules and provided that the other coverage requirements are met, to assume guarantees not exceeding DM 23 million for the part of the contract value not financed with financial co-operation loans, i.e., for export contracts concluded by firms having their place of business in the German area of application of this Agreement for the purpose of implementing the projects referred to in paragraph 1 above.

The following articles of this Agreement shall also apply to the loan envisaged in addition to financial co-operation, provided that the Kreditanstalt für Wiederaufbau is the lender.

¹ Came into force on 20 September 1980 by signature, in accordance with article 8.

(4) 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 Socialist Republic of the Union of Burma so agree.

Article 2. (1) 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. The place of performance shall be Frankfurt/Main.

(2) The Government of the Socialist Republic of the Union of Burma shall guarantee to the Kreditanstalt für Wiederaufbau all payments in Deutsche Mark to be made in fulfilment of the borrower's liabilities under the agreements to be concluded pursuant to paragraph 1 above.

Article 3. The Government of the Socialist Republic of the Union of Burma shall exempt the Kreditanstalt für Wiederaufbau from all taxes and other public charges levied in the Socialist Republic of the Union of Burma in connection with the conclusion and implementation of the agreements to be concluded pursuant to article 2 of the present Agreement.

Article 4. (1) The Government of the Socialist Republic of the Union of Burma shall allow, for such transportation by sea or air of persons and goods as results from the granting of the loans, free choice of transport enterprises flying the flag of either the Federal Republic of Germany or the Socialist Republic of the Union of Burma.

(2) Shipping companies flying the flag of the Federal Republic of Germany or of the Socialist Republic of the Union of Burma shall participate on a fair and equal basis in such transportation of goods from the German area of application of this Agreement as results from the granting of the loans. The Government of the Socialist Republic of the Union of Burma shall grant any necessary permits for the participation of shipping companies flying the flag of the Federal Republic of Germany.

Article 5. Supplies and services for projects financed from the loan pursuant to article 1 (1) of this Agreement 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 Socialist Republic of the Union of Burma 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 Rangoon on 20th September, 1980 in duplicate in the German, Burmese and English languages, all three texts being authentic. In case of divergent interpretations of the German and Burmese texts, the English text shall prevail.

For the Government
of the Federal Republic of Germany:

[Signed — Signé]¹

For the Government
of the Socialist Republic of the
Union of Burma:

[Signed — Signé]²

ANNEX TO THE AGREEMENT OF 20.9.1980 BETWEEN THE GOVERNMENT OF THE
FEDERAL REPUBLIC OF GERMANY AND THE GOVERNMENT OF THE
SOCIALIST REPUBLIC OF THE UNION OF BURMA CONCERNING FINANCIAL
CO-OPERATION

List of goods and services eligible for financing from the loan under article 1 (2) of the Agreement of 20th September 1980:

Spare parts and accessories of all kinds for the following projects promoted under German-Burmese financial and technical co-operation:

- Bawdwin mines
- Paleik textile factory
- Zeyawaddy alcohol distilling plant
- Hmawbi and Danyingone brick factories
- Motion Picture Colour Processing Plant

Imports not included in the above list may only be financed with the prior approval of the Government of the Federal Republic of Germany.

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.

¹ Signed by Dr. Helmut Türk — Signé par Helmut Türk.

² Signed by Dr. Maung Shein — Signé par Maung Shein.