

**No. 21701**

---

**FEDERAL REPUBLIC OF GERMANY  
and  
TURKEY**

**Agreement concerning financial assistance. Signed at Bonn  
on 31 July 1980**

*Authentic texts: German, Turkish and English.*

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

---

**RÉPUBLIQUE FÉDÉRALE D'ALLEMAGNE  
et  
TURQUIE**

**Accord d'assistance financière. Signé à Bonn le 31 juillet  
1980**

*Textes authentiques : allemand, turc et anglais.*

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

AGREEMENT<sup>1</sup> BETWEEN THE GOVERNMENT OF THE FEDERAL  
REPUBLIC OF GERMANY AND THE GOVERNMENT OF THE  
REPUBLIC OF TURKEY CONCERNING FINANCIAL ASSIS-  
TANCE

---

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

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

Desiring to strengthen and intensify those friendly relations through fruitful co-operation in the field of development assistance,

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

Intending to contribute to economic and social development in the Republic of Turkey,

Have agreed as follows:

*Article 1.* (1) The Government of the Federal Republic of Germany shall enable the Government of the Republic of Turkey, in addition to the loan of DM 100,000,000 (one hundred million Deutsche Mark) granted under the inter-governmental Agreement of 28 February 1980<sup>2</sup> to enable it to realize the objectives of its development plan, to raise with the Kreditanstalt für Wiederaufbau (Development Loan Corporation), Frankfurt/Main, further loans up to a total of DM 460,000,000 (four hundred and sixty million deutsche mark) as bilateral financial assistance for 1980 within the scope of the special assistance granted by the member States of the Organization for Economic Co-operation and Development (OECD) and multilateral institutions.

(2) This assistance shall consist of

- (a) Loans totalling DM 130,000,000 (one hundred and thirty million Deutsche Mark) to meet the cost of projects (project loans);
- (b) Loans totalling DM 330,000,000 (three hundred and thirty million Deutsche Mark) to meet foreign exchange costs resulting from the purchase of goods and services.

*Article 2.* (1) The loans pursuant to article 1 (2) *a* of this Agreement shall be used to meet the cost of projects (project loans) if, after examination, the projects have been found eligible for promotion. The sum shall be used as follows:

- (a) DM 70, 000,000 (seventy million deutsche mark) to meet the cost of the project "Afsin-Elbistan Lignite Mining and Thermal Power Station".
- (b) DM 40,000,000 (forty million deutsche mark) to meet the cost of the project "Oymapinar Dam and Hydro-Power Station".

---

<sup>1</sup> Came into force retroactively on 31 July 1980, the date of signature, after the Government of the Federal Republic of Germany and the Government of the Republic of Turkey had informed each other (on 25 and 26 August 1980) that their national requirements had been fulfilled, in accordance with article 9.

<sup>2</sup> United Nations, *Treaty Series*, vol. 1328, No. 1-22272.

(c) DM 20,000,000 (twenty million deutsche mark) for the Turkish Industrial Development Bank (Türkiye Sinai Kalkınma Bankası A.S.) to meet the cost of capital projects by small and medium-sized private manufacturing enterprises for civilian purposes.

(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 Republic of Turkey so agree.

(3) The loans pursuant to Article 1 (2) *b* of this Agreement shall be used to meet foreign exchange costs resulting from the purchase of goods and services to cover current civilian requirements for which shipping documents have been issued after 1 January 1980.

Consumer goods for personal needs, especially luxury goods, as well as any goods and facilities serving military purposes may not be financed from the loans.

(4) The borrower shall authorize the Kreditanstalt für Wiederaufbau to pay the sum referred to in article 1 (2) *b* of this Agreement direct to the Bank for International Settlements (BIS) in Basle, Switzerland.

*Article 3.* (1) The loans pursuant to article 1 of this Agreement shall have a maturity of thirty years including a grace period of ten years. The rate of interest shall be two per cent per annum.

(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 Kreditanstalt für Wiederaufbau and the Türkiye Cumhuriyet Merkez Bankası, which shall be subject to the laws and regulations applicable in the Federal Republic of Germany. The Merkez Bankası shall in this connection act in each case on behalf of the Government of the Republic of Turkey.

*Article 4.* The Government of the Republic of Turkey shall exempt the Kreditanstalt für Wiederaufbau from all taxes and other public charges levied in the Republic of Turkey in connection with the conclusion and implementation of the agreements to be concluded pursuant to article 3 (2) of the present Agreement.

*Article 5.* The Government of the Republic of Turkey 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 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 Germany area of application of this Agreement, and grant any necessary permits for the participation of such enterprises.

*Article 6.* Supplies and services for projects financed from the loans pursuant to article 2 (1) *a* and *b* of this Agreement shall, unless otherwise provided for in individual cases, be subject to international public tender.

*Article 7.* 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 8.* With the exception of those provisions of article 5 which refer to air transport, this Agreement shall also apply to Land Berlin, provided that the Govern-

ment of the Federal Republic of Germany does not make a contrary declaration to the Government of the Republic of Turkey within three months of the date of entry into force of this Agreement.

*Article 9.* This Agreement shall enter into force retroactively on the date of signature as soon as the Government of the Federal Republic of Germany and the Government of the Republic of Turkey have informed each other that the national requirements for the entry into force of this Agreement have been fulfilled.

DONE at Bonn on 31st July 1980 in duplicate in the German, Turkish and English languages, all three texts being authentic. In case of divergent interpretations of the German and Turkish texts, the English text shall prevail.

For the Government  
of the Federal Republic of Germany:

[Signed — Signé]<sup>1</sup>

[Signed — Signé]<sup>2</sup>

For the Government  
of the Republic of Turkey:

[Signed — Signé]<sup>3</sup>

---

<sup>1</sup> Signed by Hans-Dietrich Genscher — Signé par Hans-Dietrich Genscher.

<sup>2</sup> Signed by Günter Obert — Signé par Günter Obert.

<sup>3</sup> Signed by V. Halefoglu — Signé par V. Halefoglu.