

No. 22015

**FEDERAL REPUBLIC OF GERMANY
and
ZIMBABWE**

**Agreement concerning financial co-operation—*Assistance
for various projects*. Signed at Salisbury on 17 Sep-
tember 1981**

Authentic texts: German and English.

Registered by the Federal Republic of Germany on 28 June 1983.

**RÉPUBLIQUE FÉDÉRALE D'ALLEMAGNE
et
ZIMBABWE**

**Accord de coopération financière — *Assistance pour divers
projets*. Signé à Salisbury le 17 septembre 1981**

Textes authentiques : allemand et anglais.

Enregistré par la République fédérale d'Allemagne le 28 juin 1983.

AGREEMENT¹ BETWEEN THE GOVERNMENT OF THE REPUBLIC OF ZIMBABWE AND THE GOVERNMENT OF THE FEDERAL REPUBLIC OF GERMANY CONCERNING FINANCIAL CO-OPERATION

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

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

Have agreed as follows:

Article 1. (1) The Government of the Federal Republic of Germany shall enable the Government of the Republic of Zimbabwe and/or other recipients to be determined jointly by the two Governments to raise with the Kreditanstalt für Wiederaufbau (Development Loan Corporation), Frankfurt/Main, loans up to a total of DM 58,500,000 (fifty-eight million five hundred thousand Deutsche Mark) as follows:

- (a) A loan of up to DM 21,000,000 (twenty-one million Deutsche Mark) for the project "Reconstruction Programme ADF IIP",
- (b) A loan of up to DM 14,000,000 (fourteen million Deutsche Mark) for the project "Railway Electrification",
- (c) A loan of up to DM 13,500,000 (thirteen million five hundred thousand Deutsche Mark) for the project "Irrigation Programme I",
- (d) A loan of up to DM 10,000,000 (ten million Deutsche Mark) for the project "Agricultural Finance Corporation (AFC)",

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

- (e) A financial contribution of up to DM 1,500,000 (one million five hundred thousand Deutsche Mark) for the project "Study and Expert Fund II".

(2) If the Government of the Federal Republic of Germany enables the Government of the Republic of Zimbabwe at a later date to obtain from the Kreditanstalt für Wiederaufbau, Frankfurt/Main, additional loans or financial contributions for the preparation of the projects referred to in paragraph 1 above or financial contributions for necessary concomitant implementation and assistance measures, this Agreement shall apply.

(3) The projects referred to in paragraph 1 above may be replaced by other projects if the Government of the Republic of Zimbabwe and the Government of the Federal Republic of Germany so agree.

¹ Came into force on 17 September 1981 by signature, in accordance with article 8.

Financial contributions for preparatory and concomitant measures pursuant to paragraphs 1 and 2 above shall be converted into loans if not used for such measures.

Article 2. (1) The utilization of the sums referred to in article 1 of this Agreement 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 recipients of the loans and the financial contribution and the Kreditanstalt für Wiederaufbau, which shall be subject to the laws and regulations applicable in the Federal Republic of Germany.

(2) The Government of the Republic of Zimbabwe, insofar as it is not itself the borrower, shall guarantee to the Kreditanstalt für Wiederaufbau all payments in Deutsche Mark to made in fulfilment of the borrowers' liabilities under the agreements to be concluded pursuant to paragraph 1 above.

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

Article 4. The Government of the Republic of Zimbabwe 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 loans and the financial contribution, abstain from taking any measures that might exclude or impair the participation 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. (1) Supplies and services for projects financed from the loans shall, unless otherwise provided for in individual cases, be subject to international public tender.

(2) The procedure for awarding the contract for the implementation of the project "Study and Expert Fund" referred to in article 1 (1) (e) of this Agreement shall be laid down in the financing agreement to be concluded between the recipient and the Kreditanstalt für Wiederaufbau.

Article 6. With regard to supplies and services resulting from the granting of the loans and the financial contribution, 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 Republic of Zimbabwe 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 Salisbury on 17 September 1981, in duplicate in the English and German languages, both texts being equally authentic.

For the Government
of the Republic of Zimbabwe:

[*Signed — Signé*]¹

For the Government
of the Federal Republic of Germany:

[*Signed — Signé*]²

¹ Signed by Nkala — Signé par Nkala.

² Signed by Ellerkmann — Signé par Ellerkmann.