

No. 22092

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**FEDERAL REPUBLIC OF GERMANY**  
**and**  
**EGYPT**

**Agreement concerning financial co-operation—*Loan for various projects.* Signed at Cairo on 22 October 1981**

*Authentic texts: German, Arabic and English.*

*Registered by the Federal Republic of Germany on 29 July 1983.*

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**RÉPUBLIQUE FÉDÉRALE D'ALLEMAGNE**  
**et**  
**ÉGYPTE**

**Accord de coopération financière — *Prêt pour divers projets.* Signé au Caire le 22 octobre 1981**

*Textes authentiques : allemand, arabe et anglais.*

*Enregistré par la République fédérale d'Allemagne le 29 juillet 1983.*

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

The Government of the Federal Republic of Germany and the Government of the Arab Republic of Egypt,

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

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 Arab Republic of Egypt,

Have agreed as follows:

*Article 1.* (1) The Government of the Federal Republic of Germany shall enable the Government of the Arab Republic of Egypt or other recipients to be determined jointly by the two Governments to obtain from the Kreditanstalt für Wiederaufbau (Development Loan Corporation), Frankfurt/Main, for the projects

- (a) Integrated programme for the rehabilitation of the Egyptian Railways, Phase II (additional funds)
- (b) Rehabilitation of the old rolling mills of the steel plant Helwan, Phase II (additional funds)
- (c) Telecommunication project (additional funds)
- (d) Provincial water supply Kafr el Sheikh,
- (e) Rural electrification (Faiyûm), Phase II
- (f) Development Bank, Phase I
- (g) Study Fund
- (h) Sadat City mobile telephone facility

if, after examination, the projects have been found eligible for promotion and subject to the approval required under German budgetary law, loans and, as necessary, financial contributions for the preparation of financial co-operation projects and for attendant measures required for their implementation and support, up to a total of DM 240,000,000 (two hundred forty million Deutsche Mark).

(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 Arab Republic of Egypt so agree. Financial contributions for preparatory and attendant measures pursuant to paragraph 1 above may be turned into loans in the event that they are not used for such measures.

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<sup>1</sup> Came into force retroactively on 22 October 1981, the date of signature, after the Government of Egypt had informed the Government of the Federal Republic of Germany (on 25 March 1982) of the completion of its national requirements, in accordance with article 8.

*Article 2.* (1) The utilization of the amount referred to in article 1 of this Agreement as well as the terms and conditions on which it is granted shall be governed by the provisions of the financing agreements to be concluded between the Kreditanstalt für Wiederaufbau and the recipients of the loans and financial contributions, which shall be subject to the laws and regulations applicable in the Federal Republic of Germany.

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

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

*Article 4.* The Government of the Arab Republic of Egypt shall allow passengers and suppliers free choice of transport enterprises for such transportation by land, sea or air of persons and goods as results from the granting of the loans and the financial contributions, abstain from taking any measures that might exclude or impair the fair and equal participation of transport enterprises having their place of business in the German area of application of this Agreement, and grant permits for the participation of such enterprises as required.

*Article 5.* Supplies and services for projects financed from the loans and the financial contributions 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 and the financial contributions, 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 Arab Republic of Egypt within three months of the date of entry into force of this Agreement.

*Article 8.* This Agreement shall enter into force retroactively on the date of signature as soon as the Government of the Arab Republic of Egypt notifies the Government of the Federal Republic of Germany that the national requirements on the side of the Arab Republic of Egypt for such entry into force have been fulfilled.

DONE at Cairo on 22 October 1981, in duplicate in the German, Arabic and English languages, all three texts being authentic. In case of divergent interpretations of the German and Arabic texts, the English text shall prevail.

For the Government  
of the Federal Republic of Germany:

[*Signed — Signé*]<sup>1</sup>

For the Government  
of the Arab Republic of Egypt:

[*Signed — Signé*]<sup>2</sup>

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<sup>1</sup> Signed by H.-J. Hille — Signé par H.-J. Hille.

<sup>2</sup> Signed by S. Nur el Din — Signé par S. Nur el Din.