

No. 22270

**FEDERAL REPUBLIC OF GERMANY
and
TURKEY**

**Agreement concerning financial assistance (with annex).
Signed at Bonn on 18 July 1979**

Authentic texts: German, Turkish and English.

Registered by the Federal Republic of Germany on 1 August 1983.

**RÉPUBLIQUE FÉDÉRALE D'ALLEMAGNE
et
TURQUIE**

**Accord d'assistance financière (avec annexe). Signé à Bonn le
18 juillet 1979**

Textes authentiques : allemand, turc et anglais.

Enregistré par la République fédérale d'Allemagne le 1^{er} août 1983.

AGREEMENT¹ BETWEEN THE GOVERNMENT OF THE FEDERAL
REPUBLIC OF GERMANY AND THE GOVERNMENT OF THE
REPUBLIC OF TURKEY CONCERNING FINANCIAL ASSISTANCE

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 by fruitful co-operation in the field of development assistance,

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

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

Have agreed as follows:

Article 1. The Government of the Federal Republic of Germany shall, within the framework of the Special Assistance Action of the member States of the Organization for Economic Co-operation and Development (OECD) and multilateral institutions involved, extend to the Government of the Republic of Turkey bilateral financial assistance for 1979 to enable it to realize the objectives of its development plan.

Article 2. (1) The Government of the Federal Republic of Germany shall enable the Government of the Republic of Turkey to raise with the Kreditanstalt für Wiederaufbau (Development Loan Corporation), Frankfurt/Main, a loan up to DM 380,000,000 (three hundred and eighty million deutsche mark).

(2) The loan shall be used to meet foreign exchange costs resulting from the purchase of goods and services to cover current civilian requirements pursuant to the list annexed to the present Agreement and for which shipping documents have been drawn up after 1 January 1979.

Article 3. (1) The loan referred to in Article 2 of the present 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 loan as well as the terms and conditions on which it is granted shall be governed by the provisions of the agreements to be concluded between the Türkiye Cumhuriyeti Merkez Bankası and the Kreditanstalt für Wiederaufbau, which shall be subject to the laws and regulations applicable in the Federal Republic of Germany. The Merkez Bankası shall in this connection act 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

¹ Came into force retroactively on 18 July 1979, the date of signature, after the Government of the Federal Republic of Germany and the Government of Turkey had informed each other (on 10 and 17 August 1979) of the completion of their national requirements, in accordance with article 8.

Republic of Turkey at the time of the conclusion, or during the implementation, of the agreements referred to in 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 land, 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 the present Agreement, and grant permits for the participation of such enterprises as required.

Article 6. 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 7. 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 Government 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 8. The present Agreement shall enter into force retroactively on the date of signature thereof as soon as the Government of the Republic of Turkey and the Government of the Federal Republic of Germany have informed each other that their national requirements for the entry into force of the present Agreement have been fulfilled.

DONE at Bonn on 18 July 1979 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]¹

For the Government
of the Republic of Turkey:
[Signed — Signé]²

ANNEX TO THE AGREEMENT OF 18 JULY 1979 BETWEEN THE GOVERNMENT OF THE FEDERAL REPUBLIC OF GERMANY AND THE GOVERNMENT OF THE REPUBLIC OF TURKEY CONCERNING THE GRANTING OF FINANCIAL ASSISTANCE

List of goods and services eligible for financing from the loan up to a total value of DM 380,000,000 (three hundred and eighty million deutsche mark) under Article 2 of the Agreement of 18 July 1979:

- 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) Transport equipment of all kinds,
- e) Chemical products,

¹ Signed by G. van Well — Signé par G. van Well.

² Signed by V. Halefoglu — Signé par V. Halefoglu.

- f) Advisory services and licence fees,
- g) The costs of transport, insurance and assembly arising in connection with the importation of goods financed under the present Agreement.

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