

No. 22455

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**FEDERAL REPUBLIC OF GERMANY**  
**and**  
**PARAGUAY**

**Agreement concerning financial co-operation. Signed at  
Asunción on 1 July 1982**

*Authentic texts: German and Spanish.*

*Registered by the Federal Republic of Germany on 11 November 1983.*

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**RÉPUBLIQUE FÉDÉRALE D'ALLEMAGNE**  
**et**  
**PARAGUAY**

**Accord de coopération financière. Signé à Asunción le  
1<sup>er</sup> juillet 1982**

*Textes authentiques : allemand et espagnol.*

*Enregistré par la République fédérale d'Allemagne le 11 novembre 1983.*

## [TRANSLATION — TRADUCTION]

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

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

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

Desiring to strengthen and intensify these friendly relations through financial co-operation as partners,

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

Intending to contribute to social and economic development in Paraguay,

Have agreed as follows:

*Article 1.* (1) The Government of the Federal Republic of Germany shall enable the Administración Nacional de Electricidad (ANDE) to raise with the Kreditanstalt für Wiederaufbau (Development Loan Corporation), Frankfurt am Main, for the project “Expansion of the electricity network of ANDE”, a loan of up to DM 11,925,000 (eleven million nine hundred and twenty-five thousand deutsche mark).

(2) This Agreement shall also apply if, at a later date, the Government of the Federal Republic of Germany enables the Government of the Republic of Paraguay to obtain from the Kreditanstalt für Wiederaufbau, Frankfurt am Main, further loans or financial contributions for preparing the project or other financial contributions for collateral measures required for the implementation and maintenance of the project “Expansion of the electricity network of ANDE”.

(3) Financial contributions granted for preparatory and collateral measures pursuant to paragraph 2 shall be converted into loans if they are not utilized for such measures.

*Article 2.* (1) Utilization of the amount referred to in Article 1, as well as the terms and conditions on which it is granted, shall be governed by the contracts to be concluded between the Kreditanstalt für Wiederaufbau and the borrower, the Administración Nacional de Electricidad (ANDE); these contracts shall be subject to the laws and regulations applicable in the Federal Republic of Germany.

(2) The Government of the Republic of Paraguay shall stand surety *vis-à-vis* the Kreditanstalt für Wiederaufbau for all deutsche mark payments to be made in discharge of the borrower’s obligations under the contracts to be concluded pursuant to paragraph 1.

<sup>1</sup> Came into force on 1 July 1982 by signature, in accordance with article 8.

*Article 3.* The Government of the Republic of Paraguay shall exempt the Kreditanstalt für Wiederaufbau from all taxes and other fiscal charges levied in the Republic of Paraguay in connection with the conclusion and execution of the contracts referred to in article 2.

*Article 4.* The Government of the Republic of Paraguay shall allow passengers and suppliers free choice of transport enterprises for such transportation by sea, land and air of passengers and goods as results from the granting of the loan, refrain from taking any measures that exclude or impede the participation of transport enterprises having their principal 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.* The procedure for placing the order for implementing the project referred to in article 1 shall be laid down in the contract to be concluded between the Kreditanstalt für Wiederaufbau and the borrower, the Administración Nacional de Electricidad (ANDE).

*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 preference being given to 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 apply also to *Land Berlin*, provided that the Government of the Federal Republic of Germany does not make a declaration to the contrary to the Government of the Republic of Paraguay within the three months following the date of entry into force of this Agreement.

*Article 8.* This Agreement shall enter into force on the date of its signature.

DONE at Asunción on 1 July 1982 in two originals, in the German and Spanish languages, both texts being equally authentic.

For the Government of the Federal Republic of Germany:

[Signed]

WALTER L. GROENER  
Ambassador

For the Government of the Republic of Paraguay:

[Signed]

ALBERTO NOGUÉS  
Minister for Foreign Affairs

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