

No. 22981

**FEDERAL REPUBLIC OF GERMANY
and
SWAZILAND**

**Agreement concerning financial co-operation. Signed at
Mbabane on 13 September 1983**

Authentic texts: German and English.

Registered by the Federal Republic of Germany on 20 June 1984.

**RÉPUBLIQUE FÉDÉRALE D'ALLEMAGNE
et
SWAZILAND**

**Accord de coopération financière. Signé à Mbabane le
13 septembre 1983**

Textes authentiques : allemand et anglais.

Enregistré par la République fédérale d'Allemagne le 20 juin 1984.

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

The Government of the Kingdom of Swaziland and the Government of the Federal Republic of Germany,

In the spirit of the friendly relations existing between the Kingdom of Swaziland 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 the Kingdom of Swaziland,

Have agreed as follows:

Article 1. The Government of the Federal Republic of Germany shall enable the DEG — Deutsche Finanzierungsgesellschaft fuer Beteiligungen in Entwicklungs-laendern GmbH, Cologne (hereinafter referred to as the DEG) to grant the National Industrial Development Corporation of Swaziland (hereinafter referred to as the NIDCS) a loan with equity features and the right of conversion by subscribing at par to Income Notes having a nominal value of up to Emalangeni 450,000 (four hundred and fifty thousand Emalangeni).

The Government of the Federal Republic of Germany shall make available to the DEG for this purpose an amount of up to DM 1,080,000 (one million and eighty thousand Deutsche Mark).

Article 2. The loan referred to in Article 1 of this Agreement shall be provided in accordance with the provisions of a financing agreement to be concluded between the DEG and the NIDCS.

Article 3. (1) The Government of the Kingdom of Swaziland shall ensure that the investment by the DEG referred to in Article 1 of this Agreement enjoys full protection and security. An expropriation may only take place for the public benefit and against compensation. Such compensation shall be equivalent to the value of the investment expropriated, be actually realizable and transferable, and be paid without delay. Provision shall have been made in an appropriate manner at or prior to the time of expropriation for the determination and payment of such compensation. The legality of such expropriation, the amount of compensation and the term within which it is payable shall be subject to review by due process of law. The DEG shall be accorded most favourable treatment as regards the transactions covered by this Article.

(2) The Government of the Kingdom of Swaziland shall, with regard to the loan referred to in Article 1 of this Agreement, guarantee the free import of foreign

¹ Came into force on 13 September 1983 by signature, in accordance with article 6.

currency in connection with the acquisition of the Income Notes as well as the free transfer of interest and amortization payments or, in case the right of conversion is exercised in full or in part, the free transfer of the returns thereof and of the proceeds of sale or liquidation.

(3) The Government of the Kingdom of Swaziland undertakes on its own behalf and on behalf of the Central Bank not to hinder the NIDCS in the fulfilment of its obligations to the DEG.

Article 4. The Government of the Kingdom of Swaziland shall exempt the DEG from all taxes and other public charges levied in the Kingdom of Swaziland in connection with the acquisition, interest yield amortization or conversion of the Income Notes referred to in Article 1 of this Agreement. This arrangement shall apply to the same extent in case the right of conversion is exercised in full or in part in respect of the acquisition, sale or liquidation of the equity and the proceeds thereof.

Article 5. 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 Kingdom of Swaziland within three months of the date of entry into force of this Agreement.

Article 6. This Agreement shall enter into force on the date of signature thereof.

DONE at Mbabane on 13th of September 1983 in duplicate in the English and German languages, both texts being equally authentic.

For the Government
of the Kingdom of Swaziland:

[Signed — Signé]¹

For the Government
of the Federal Republic of Germany:

[Signed — Signé]²

¹ Signed by Simelane — Signé par Simelane.

² Signed by Hasso Buchrucker — Signé par Hasso Buchrucker.