No. 23133

FEDERAL REPUBLIC OF GERMANY and MOZAMBIQUE

Agreement concerning financial co-operation (with annex). Signed at Maputo on 31 March 1983

Authentic texts: German and Portuguese. Registered by the Federal Republic of Germany on 8 November 1984.

RÉPUBLIQUE FÉDÉRALE D'ALLEMAGNE et MOZAMBIQUE

Accord de coopération financière (avec annexe). Signé à Maputo le 31 mars 1983

Textes authentiques : allemand et portugais. Enregistré par la République fédérale d'Allemagne le 8 novembre 1984. [TRANSLATION --- TRADUCTION]

AGREEMENT¹ BETWEEN THE GOVERNMENT OF THE FEDERAL RE-PUBLIC OF GERMANY AND THE GOVERNMENT OF THE PEOPLE'S REPUBLIC OF MOZAMBIQUE CONCERNING FINANCIAL CO-OPERATION

The Government of the Federal Republic of Germany and the Government of the People's Republic of Mozambique,

In the spirit of the friendly relations existing between the Federal Republic of Germany and the Government of the People's Republic of Mozambique,

Desiring to strengthen and enhance these friendly relations through financial cooperation as partners,

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

Intending to contribute to social and economic development in the People's Republic of Mozambique,

With reference to the record of the discussions between the Government of the Federal Republic of Germany and the Government of the People's Republic of Mozambique of 30 September 1982,

Have agreed as follows:

Article 1. The Government of the Federal Republic of Germany shall enable the Government of the People's Republic of Mozambique to raise with the Kreditanstalt für Wiederaufbau, Frankfurt am Main, for the purpose of financing the foreign-exchange costs of the goods and services provided to cover current civil requirements and the foreign-exchange and national-currency transport, insurance and assembly costs incurred in connection with the importation financed under this Agreement, a loan of up to DM 5,000,000 (five million deutsche mark). Such supplies and services shall be from among those specified in the list annexed to this Agreement for which the relevant delivery contracts have been concluded after signature of the contracts to be concluded under article 2.

Article 2. 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 recipient of the loan, which shall be subject to the laws and regulations applicable in the Federal Republic of Germany.

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

Article 4. With regard to such transport by sea or air as may be financed from this loan, the regular national carriers of the two countries shall be guaranteed equal and fair opportunities. Consideration shall always be given to the most economical way for the People's Republic of Mozambique.

Article 5. 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.

¹ Came into force on 31 March 1983 by signature, in accordance with article 7.

Article 6. 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 declaration to the contrary to the Government of the People's Republic of Mozambique within the three months following the date of entry into force of this Agreement.

Article 7. This Agreement shall enter into force on the date of its signature.

DONE at Maputo on 31 March 1983, in four originals, in the German and Portuguese languages, both texts being equally authentic.

For the Government of the Federal Republic of Germany: HASSO BUCHRUCKER

For the Government of the People's Republic of Mozambique: JOÃO COUTINHO

ANNEX TO THE AGREEMENT BETWEEN THE GOVERNMENT OF THE FEDERAL REPUBLIC OF GERMANY AND THE GOVERNMENT OF THE PEOPLE'S REPUBLIC OF MOZAMBIQUE CONCERNING FINANCIAL CO-OPERATION

1. List of goods and services which, under article 1 of the intergovernmental Agreement of 31 March 1983, may be financed from the loan:

- (a) Industrial raw materials and auxiliary materials and semi-finished products,
- (b) Industrial equipment and agricultural machinery and tools,
- (c) Spare parts and accessories of all kinds,

1984

- (d) Products of the chemical industry, including fertilizers, pesticides and insecticides, pharmaceutical products,
- (e) Other industrial products of importance for the development of Mozambique,
- (f) Advisory services, patents and licences fees.

2. Imported goods not included in this list may be financed only with the prior consent of the Government of the Federal Republic of Germany.

3. Imports of luxury and consumer goods for private use and goods and installations for military purposes shall not be financed from the loan.