

No. 23555

FEDERAL REPUBLIC OF GERMANY
and
NEPAL

**Agreement concerning financial co-operation. Signed at
Kathmandu on 22 November 1984**

Authentic texts: German, Nepali and English.

Registered by the Federal Republic of Germany on 17 September 1985.

RÉPUBLIQUE FÉDÉRALE D'ALLEMAGNE
et
NÉPAL

**Accord de coopération financière. Signé à Katmandou
le 22 novembre 1984**

Textes authentiques : allemand, népalais et anglais.

Enregistré par la République fédérale d'Allemagne le 17 septembre 1985.

AGREEMENT¹ BETWEEN THE GOVERNMENT OF THE FEDERAL REPUBLIC OF GERMANY AND HIS MAJESTY'S GOVERNMENT OF NEPAL CONCERNING FINANCIAL CO-OPERATION

The Government of the Federal Republic of Germany and His Majesty's Government of Nepal,

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

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 Nepal,

With reference to the Summary Record of the intergovernmental negotiations held in Kathmandu from 20 November 1984 to 22 November 1984,

Have agreed as follows:

Article 1. (1) The Government of the Federal Republic of Germany shall enable His Majesty's Government of Nepal to obtain from the Kreditanstalt für Wiederaufbau (Development Loan Corporation), Frankfurt/Main, a financial contribution of up to DM 45,000,000 (forty-five million Deutsche Mark) for the project "Marsyangdi Hydro-electric Power Station".

(2) Notwithstanding previous arrangements, the following amounts shall be available for the project "Marsyangdi Hydro-electric Power Station":

- (a) DM 10,000,000 (ten million Deutsche Mark) which, pursuant to Article 1 (1) of the Agreement of 13 June 1975 between the Government of the Federal Republic of Germany and His Majesty's Government of Nepal concerning Financial Assistance, were originally earmarked to finance the import of goods to cover current civilian requirements;
- (b) DM 36,000,000 (thirty-six million Deutsche Mark) which, pursuant to Article 1 (1) of the Agreements of 2 January 1976² and 11 November 1976³ between the Government of the Federal Republic of Germany and His Majesty's Government of Nepal concerning Financial Assistance, were originally earmarked for the project "Kankai Multi-purpose Project";
- (c) DM 50,000,000 (fifty million Deutsche Mark) which, pursuant to Article 1 (1) of the Agreement of 19 November 1978 between the Government of the Federal Republic of Germany and His Majesty's Government of Nepal concerning Financial Assistance,⁴ were originally earmarked for the project "Kankai Multi-purpose Project";
- (d) DM 5,600,000 (five million six hundred thousand Deutsche Mark) which, pursuant to Article 1 (2) (b) of the Agreement of 18 November 1981 between the

¹ Came into force on 22 November 1984 by signature, in accordance with article 7.

² United Nations, *Treaty Series*, vol. 1017, p. 35.

³ *Ibid.*, vol. 1074, p. 139.

⁴ *Ibid.*, vol. 1166, p. 373.

Government of the Federal Republic of Germany and His Majesty's Government of Nepal concerning Financial Assistance,¹ were originally earmarked for the project "Cultivation of High-quality Agricultural Products".

Article 2. The utilization of the amounts referred to in Article 1 of this Agreement and the terms and conditions on which they are made available, as well as the procedure to be followed in awarding the contracts, shall be governed by the provisions of the agreement to be concluded between the recipient of the financial contribution and the Kreditanstalt für Wiederaufbau, which shall be subject to the laws and regulations applicable in the Federal Republic of Germany.

Article 3. His Majesty's Government of Nepal shall exempt the Kreditanstalt für Wiederaufbau from all taxes and other public charges levied in the Kingdom of Nepal in connection with the conclusion and implementation of the agreement referred to in Article 2 of the present Agreement.

Article 4. His Majesty's Government of Nepal shall allow passengers and suppliers free choice of transport enterprises for such transportation by sea, land or air of persons and goods as results from the granting of the financial contribution, 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 any necessary permits for the participation of such enterprises.

Article 5. With regard to supplies and services resulting from the granting of the financial contribution, the Government of the Federal Republic of Germany attaches particular importance to preferential use being made of the economic potential of Land Berlin.

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 contrary declaration to His Majesty's Government of Nepal within three months of date of entry into force of this Agreement.

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

DONE at Kathmandu on 22 November 1984 in duplicate in the German, Nepali and English languages, all three texts being authentic. In case of divergent interpretations of the German and Nepali texts, the English text shall prevail.

For the Government
of the Federal Republic of Germany:

[Signed — Signé]²

[Signed — Signé]³

For His Majesty's Government
of Nepal:

[Signed — Signé]⁴

¹ United Nations, *Treaty Series*, vol. 1321, p. 169.

² Signed by Eric Harder — Signé par Eric Harder.

³ Signed by Ehmann — Signé par Ehmann.

⁴ Signed by Karna D. Adhikary — Signé par Karna D. Adhikary.