

No. 23526

FEDERAL REPUBLIC OF GERMANY
and
KENYA

Agreement concerning financial co-operation—*Loan to meet foreign exchange costs resulting from the purchase of goods and services* (with annexe). Signed at Nairobi on 28 December 1983

Authentic texts: German and English.

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

RÉPUBLIQUE FÉDÉRALE D'ALLEMAGNE
et
KENYA

Accord de coopération financière — *Prêt pour financer le coût en devises de l'achat de biens et de services* (avec annexe). Signé à Nairobi le 28 décembre 1983

Textes authentiques : allemand et anglais.

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

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

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

In the spirit of the friendly relations existing between the Republic of Kenya 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 Republic of Kenya,

Have agreed as follows:

Article 1. The Government of the Federal Republic of Germany shall arrange for the Government of the Republic of Kenya to obtain from the Kreditanstalt für Wiederaufbau (Development Loan Corporation), Frankfurt/Main, a loan of up to DM 20,000,000 (twenty million Deutsche Mark) to meet foreign exchange costs resulting from the purchase of goods and services to cover current civilian requirements, and to meet foreign exchange and local currency costs of transport, insurance and assembly arising in connection with the importation of goods financed under this Agreement.

The supplies and services must be such as are covered by the list annexed to this Agreement and for which supply or service contracts have been concluded after the signing of the agreements to be concluded pursuant to article 2 of the present Agreement.

Article 2. The utilization of the amount referred to in article 1 of this Agreement as well as the terms and conditions on which it is made available shall be governed by the provisions of the agreements to be concluded between the recipient of the loan and the Kreditanstalt für Wiederaufbau, which shall be subject to the laws and regulations applicable in the Federal Republic of Germany.

Article 3. The Government of the Republic of Kenya shall exempt the Kreditanstalt für Wiederaufbau from all taxes and other public charges levied in the Republic of Kenya in connection with the conclusion and implementation of the agreements referred to in article 2 of the present Agreement.

Article 4. The Government of the Republic of Kenya shall allow passengers and suppliers free choice of transport enterprises for such transportation by 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 of transport enterprises

¹ Came into force on 28 December 1983 by signature, in accordance with article 8.

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. The procedure to be followed in awarding the contracts shall be determined in the agreements to be concluded between the borrower and the Kreditanstalt für Wiederaufbau pursuant to article 2 of this Agreement.

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 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 the Government of the Republic of Kenya within three months of the date of entry into force of this Agreement.

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

DONE at Nairobi on 28th December 1983 in duplicate in the English and German languages, both texts being equally authentic.

[Signed — Signé]¹

For the Government
of the Republic of Kenya

[Signed — Signé]²

For the Government
of the Federal Republic of Germany

ANNEX TO THE AGREEMENT BETWEEN THE GOVERNMENT OF THE REPUBLIC
OF KENYA AND THE GOVERNMENT OF THE FEDERAL REPUBLIC OF GER-
MANY CONCERNING FINANCIAL CO-OPERATION

1. List of goods and services eligible for financing from the loan under Article 1 of the Agreement of 28th December 1983

- (a) Spare parts for German implements, machinery and motor vehicles (particularly in the agricultural and transport sectors),
- (b) Fertilizers, pesticides and other products required in the agricultural sector,
- (c) The requisite spare parts for German equipment in the industrial sector,
- (d) The requisite equipment in the postal and telecommunications sector,
- (e) The requisite equipment for the railways.

2. Imports not included in the above list may only be financed with the prior approval of the Government of the Federal Republic of Germany.

3. The importation of luxury and consumer goods for personal needs as well as any goods and facilities serving military purposes may not be financed from the loan.

¹ Signed by George Saitoti — Signé par George Saitoti.

² Signed by J. von Vacano — Signé par J. von Vacano.