

No. 23301

FEDERAL REPUBLIC OF GERMANY
and
INDIA

Agreement concerning financial co-operation (commodity aid) in 1983 (with annex). Signed at Bonn on 4 May 1984

Authentic texts: German and English.

Registered by the Federal Republic of Germany on 19 March 1985.

RÉPUBLIQUE FÉDÉRALE D'ALLEMAGNE
et
INDE

Accord relatif à la coopération financière (aide en marchandises) pour 1983 (avec annexe). Signé à Bonn le 4 mai 1984

Textes authentiques : allemand et anglais.

Enregistré par la République fédérale d'Allemagne le 19 mars 1985.

AGREEMENT¹ BETWEEN THE GOVERNMENT OF THE FEDERAL
REPUBLIC OF GERMANY AND THE GOVERNMENT OF THE RE-
PUBLIC OF INDIA CONCERNING FINANCIAL CO-OPERATION
(COMMODITY AID) IN 1983

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

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

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 India,

With reference to paragraph 2 (2) (page 11, first paragraph) of the Minutes of 15 April 1983,

Have agreed as follows:

Article 1. The Government of the Federal Republic of Germany shall enable the Government of the Republic of India or other recipients to be determined jointly by the two Governments to obtain from the Kreditanstalt für Wiederaufbau (Development Loan Corporation), Frankfurt/Main, a loan of up to DM 10,000,000 (ten 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 shipping documents have been drawn up after 31 December 1983, or which have been delivered/rendered after this date.

When utilizing this amount favourable consideration shall be given to the requirements of enterprises established in India with German participation, as well as to holders of German licences, to the extent that such requirements are not to be met within the scope of the measures adopted by the Government of the Republic of India for the liberalization of imports. The Government of the Federal Republic of Germany proceeds on the understanding that the Government of the Republic of India will utilize the counterpart Rupee funds accruing from the sale of Deutsche Mark so loaned for development projects.

Article 2. (1) 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 agreement 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.

¹ Came into force on 4 May 1984 by signature, in accordance with article 7.

(2) The Government of the Republic of India, insofar as it is not itself the borrower, shall guarantee to the Kreditanstalt für Wiederaufbau all payments in Deutsche Mark to be made in fulfilment of the borrower's liabilities under the agreement to be concluded pursuant to paragraph 1 above.

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

Article 4. Both Governments 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 on equal terms of transport enterprises having their place of business in the 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 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 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 the Government of the Republic of India within three months of the date of entry into force of this Agreement.

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

DONE at Bonn on 4 May 1984 in duplicate in the German and English languages, both texts being equally authentic.

For the Government
of the Federal Republic of Germany:

[Signed — Signé]¹

[Signed — Signé]²

For the Government
of the Republic of India:

[Signed — Signé]³

[Signed — Signé]⁴

¹ Signed by Jürgen Ruhfus — Signé par Jürgen Ruhfus.

² Signed by Ehmann — Signé par Ehmann.

³ Signed by Mukherji — Signé par Mukherji.

⁴ Signed by S. D. Sathe — Signé par S. D. Sathe.

ANNEX TO THE AGREEMENT OF 4 MAY 1984 BETWEEN THE GOVERNMENT OF THE FEDERAL REPUBLIC OF GERMANY AND THE GOVERNMENT OF THE REPUBLIC OF INDIA CONCERNING FINANCIAL CO-OPERATION (COMMODITY AID) IN 1983

1. List of goods and services eligible for financing from the loan under article 1 of the above-mentioned Agreement up to a total of DM 10,000,000 (ten million Deutsche Mark):

- (a) Industrial raw and auxiliary materials as well as semi-manufactures,
- (b) Industrial equipment as well as agricultural machinery and implements,
- (c) Spare parts and accessories of all kinds,
- (d) Chemical products, in particular fertilizers, plant protection agents, pesticides, medicaments,
- (e) Other industrial products of importance for the development of India,
- (f) Equipment and apparatus for scientific and technical civilian research institutes as well as hospital supplies,
- (g) Advisory services, patents and licence fees.

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.
