

No. 24446

FEDERAL REPUBLIC OF GERMANY
and
PORTUGAL

Agreement concerning financial co-operation—*Loan of 90 million deutsche mark for various projects.* Signed at Lisbon on 31 October 1985

Authentic texts: German and Portuguese.

Registered by the Federal Republic of Germany on 12 November 1986.

RÉPUBLIQUE FÉDÉRALE D'ALLEMAGNE
et
PORTUGAL

Accord de coopération financière — *Prêt de 90 millions de deutsche marks pour divers projets.* Signé à Lisbonne le 31 octobre 1985

Textes authentiques : allemand et portugais.

Enregistré par la République fédérale d'Allemagne le 12 novembre 1986.

[TRANSLATION — TRADUCTION]

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

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

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

Desiring to strengthen and enhance these friendly relations through financial co-operation 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 Portuguese Republic,

Have agreed as follows:

Article 1. (1) The Government of the Federal Republic of Germany shall enable the Government of the Portuguese Republic, and/or other recipients selected jointly by the two Governments, to raise with the Kreditanstalt für Wiederaufbau (Development Loan Corporation), Frankfurt am Main, loans of up to DM 90,000,000 (90 million deutsche mark).

(2) With reference to the Record of 23 November 1984 of the intergovernmental negotiations, the loans shall be used to finance the following projects, provided that, after examination, the projects qualify for promotion:

- (a) Up to DM 25,000,000 (twenty-five million deutsche mark) to finance the expansion of the fishing port in Sesimbra;
- (b) Up to DM 5,000,000 (five million deutsche mark) to finance the dockyard infrastructure in Vila do Conde;
- (c) Up to DM 20,000,000 (twenty million deutsche mark) to finance the rural electrification programme (phase II);
- (d) Up to DM 20,000,000 (twenty million deutsche mark) to finance the equipping of hospitals;
- (e) Up to DM 20,000,000 (twenty million deutsche mark) to finance the electrification of the Autonomous Region of the Azores.

(3) The projects referred to in paragraph 2 may be replaced by other projects if the Government of the Federal Republic of Germany and the Government of the Portuguese Republic so agree.

Article 2. (1) Utilization of the loans referred to in article 1, the terms and conditions on which they are granted, and the procurement procedure to be

¹ Came into force on 31 October 1985 by signature, in accordance with article 7.

applied shall be governed by the contracts to be concluded between the Kreditanstalt für Wiederaufbau and the recipients of the loans; these contracts shall be subject to the laws and regulations applicable in the Federal Republic of Germany.

(2) The Government of the Portuguese Republic, to the extent that it is not itself the borrower, shall guarantee to the Kreditanstalt für Wiederaufbau all payments in deutsche mark in discharge of the borrowers' liabilities under the contracts to be concluded pursuant to paragraph 1.

Article 3. The Government of the Portuguese Republic shall exempt the Kreditanstalt für Wiederaufbau from all taxes and other fiscal charges levied in Portugal in connection with the conclusion and implementation of the contracts referred to in article 2.

Article 4. The Government of the Portuguese Republic shall allow passengers and suppliers free choice of transport enterprises for such transport by land, sea and air of persons and goods as results from the granting of the loans, refrain from taking any measures that might exclude or impede the participation, on an equal footing, of transport enterprises having their principal 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 loans, the Government of the Federal Republic of Germany attaches particular importance to preference being given to 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 declaration to the contrary to the Government of the Portuguese Republic 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 Lisbon on 31 October 1985 in duplicate, in the German and Portuguese languages, both texts being equally authentic.

For the Government of the Federal Republic of Germany:
POENGEN

For the Government of the Portuguese Republic:
ERNÂNI RODRIGUES LOPES