

**No. 25139**

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**FEDERAL REPUBLIC OF GERMANY  
and  
PHILIPPINES**

**Agreement concerning financial co-operation. Signed at  
Manila on 14 October 1985**

*Authentic texts: German and English.*

*Registered by the Federal Republic of Germany on 24 July 1987.*

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**RÉPUBLIQUE FÉDÉRALE D'ALLEMAGNE  
et  
PHILIPPINES**

**Accord de coopération financière. Signé à Manille le 14 oc-  
tobre 1985**

*Textes authentiques : allemand et anglais.*

*Enregistré par la République fédérale d'Allemagne le 24 juillet 1987.*

## AGREEMENT<sup>1</sup> BETWEEN THE GOVERNMENT OF THE REPUBLIC OF THE PHILIPPINES AND THE GOVERNMENT OF THE FEDERAL REPUBLIC OF GERMANY CONCERNING FINANCIAL CO-OPERATION

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

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

With reference to the Final Report of 14 August 1985 on the German-Philippine intergovernmental negotiations held in Bonn on 13 and 14 August 1985,

Have agreed as follows:

*Article 1.* (1) The Government of the Federal Republic of Germany shall enable the Government of the Republic of the Philippines and/or other borrowers to be determined jointly by the two Governments to obtain from the Kreditanstalt für Wiederaufbau (Development Loan Corporation), Frankfurt/Main, loans of up to DM 25,000,000 (twenty-five million Deutsche Mark) for the projects selected by the two Governments pursuant to item 2.2.2 of the Final Report of 14 August 1985 if, after examination, the projects have been found eligible for promotion.

(2) The projects referred to in paragraph 1 above may be replaced by other projects if the Government of the Republic of the Philippines and the Government of the Federal Republic of Germany so agree.

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

(2) The Government of the Republic of the Philippines, 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 borrowers' liabilities under the agreements to be concluded pursuant to paragraph 1 above.

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

<sup>1</sup> Came into force on 14 October 1985 by signature, in accordance with article 7.

*Article 4.* The Government of the Republic of the Philippines 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 loans, 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 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 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 the Philippines 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 Manila on the 14th day of October 1985 in duplicate in the English and German languages, both texts being equally authentic.

For the Government  
of the Republic of the Philippines:

[Signed — Signé]<sup>1</sup>

[Signed — Signé]<sup>2</sup>

For the Government  
of the Federal Republic of Germany:

[Signed — Signé]<sup>3</sup>

[Signed — Signé]<sup>4</sup>

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<sup>1</sup> Signed by Vicente B. Valdepenas Jr. — Signé par Vicente B. Valdepenas Jr.

<sup>2</sup> Signed by Gonzales — Signé par Gonzales.

<sup>3</sup> Signed by Zeller — Signé par Zeller.

<sup>4</sup> Signed by Jürgen Warnke — Signé par Jürgen Warnke.