

No. 25462

FEDERAL REPUBLIC OF GERMANY
and
BOLIVIA

Agreement concerning financial co-operation (with annex).
Signed at La Paz on 13 June 1986

Authentic texts: German and Spanish.

Registered by the Federal Republic of Germany on 9 November 1987.

RÉPUBLIQUE FÉDÉRALE D'ALLEMAGNE
et
BOLIVIE

Accord de coopération financière (avec annexe). Signé à
La Paz le 13 juin 1986

Textes authentiques : allemand et espagnol.

Enregistré par la République fédérale d'Allemagne le 9 novembre 1987.

[TRANSLATION — TRADUCTION]

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

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

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

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 Republic of Bolivia,

Have agreed as follows:

Article 1. The Government of the Federal Republic of Germany shall enable the Government of the Republic of Bolivia to raise with the Kreditanstalt für Wiederaufbau (Development Loan Corporation), Frankfurt am Main, for the purpose of financing the foreign-exchange costs of the goods and services provided to cover current civil requirements, and the foreign-exchange and national-currency costs of transport, insurance and assembly incurred in connection with the importation of goods, a loan of up to DM 19,000,000 (nineteen million deutsche mark). Such supplies and services shall be free from among those specified in the list annexed to this Agreement for which the relevant delivery or service contracts have been concluded following the contracts to be concluded under article 2.

Article 2. Utilization of the amount referred to in article 1, the terms and conditions on which it is granted, and the procurement procedure to be applied shall be governed by the contracts to be concluded between the Kreditanstalt für Wiederaufbau and the recipient of the loan; these contracts shall be subject to the laws and regulations applicable in the Federal Republic of Germany.

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

Article 4. The Government of the Republic of Bolivia shall allow passengers and suppliers free choice of transport enterprises for such transport by sea and air of persons and goods as results from the granting of the loan, refrain from taking any measures that might exclude or impede the participation of transport enterprises hav-

¹ Came into force on 13 June 1986 by signature, in accordance with article 7.

ing 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 loan, 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 apply also to *Land Berlin*, provided that the Federal Republic of Germany does not make a declaration to the contrary to the Government of the Republic of Bolivia 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 La Paz, on 13 June 1986, in two originals, in the German and Spanish languages, both texts being equally authentic.

For the Government of the Federal Republic of Germany:

HANS-HEINRICH WREDE

For the Government of the Republic of Bolivia:

BEDREGAL

ANNEX TO THE AGREEMENT BETWEEN THE GOVERNMENT OF THE FEDERAL
REPUBLIC OF GERMANY AND THE GOVERNMENT OF THE REPUBLIC OF
BOLIVIA CONCERNING FINANCIAL COOPERATION

1. List of goods and services which, under article 1 of the Agreement of 13 June 1986, may be financed from the loan:

- (a) Raw materials and supplies for industry, and semimanufactured goods;
- (b) Capital goods for industry and agricultural machinery and equipment;
- (c) Spare parts and accessories of all kinds;
- (d) Products of the chemical industry, especially fertilizers, pesticides, insecticides and medicine;
- (e) Other industrial products of importance for the development of the Republic of Bolivia;
- (f) Advisory services, patents and licences.

2. The above goods and services shall be used by small and medium-sized private enterprises engaged in industrial processing and by public-sector enterprises engaged in transport, the provision of basic services and mining.

3. Imported goods not included in this list may be financed only with the prior consent of the Government of the Federal Republic of Germany.

4. Imports of luxury and consumer goods for private use, and goods and installations for military purposes shall not be financed from the loan.

5. As matching funds (proceeds of sales) become available, the Government of the Republic of Bolivia shall utilize them to promote small-scale industry, the crafts sector and co-operatives. The Government of the Republic of Bolivia shall inform the Government of the Federal Republic of Germany on the utilization of the proceeds of sales.