No. 25471

FEDERAL REPUBLIC OF GERMANY and CAPE VERDE

Agreement concerning financial co-operation. Signed at Dakar 1 August 1986

Authentic texts: German and Portuguese. Registered by the Federal Republic of Germany on 9 November 1987.

RÉPUBLIQUE FÉDÉRALE D'ALLEMAGNE et CAP-VERT

Accord de coopération financière. Signé à Dakar le 1^{er} août 1986

Textes authentiques : allemand et portugais. 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 CAPE VERDE CONCERNING FINANCIAL CO-OPERATION

The Government of the Federal Republic of Germany and the Government of the Republic of Cape Verde,

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

Desiring to strengthen and enhance these friendly relations through financial cooperation 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 Cape Verde,

Have agreed as follows:

Article 1. (1) The Government of the Federal Republic of Germany shall enable the Government of the Republic of Cape Verde to obtain financial contributions of up to a total of 5,000,000 (five million deutsche mark) from the Kreditanstalt für Wiederaufbau (Development Loan Corporation), Frankfurt am Main.

(2) The financial contributions shall be used as follows:

- (a) Up to DM 2,500,000 (two million five hundred thousand deutsche mark) for the project "Water Supply of Fogo Island", provided that, on examination, the project is considered deserving of support;
- (b) Up to DM 500,000 (five hundred thousand deutsche mark) for the project "Butane Gas Bottling Plant", provided that, on examination, the project is considered deserving of support;
- (c) Up to DM 2,000,000 (two million deutsche mark) for a sectoral programme "Drinking Water Supply", provided that, on examination, the project is considered deserving of support;

(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 Republic of Cape Verde so agree.

Article 2. The utilization of the amounts referred to in article 1, the terms and conditions on which they are granted and the procurement procedure to be applied shall be governed by the financing agreements to be concluded between the Republic of Cape Verde and the Kreditanstalt für Wiederaufbau; these agreements shall be subject to the laws and regulations applicable in the Federal Republic of Germany.

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

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

Article 4. The Government of the Republic of Cape Verde 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 financial contributions, refrain from taking any measures that might exclude or impede the participation on equal terms 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 financial contributions, 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 the provisions of article 4 which relate 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 Republic of Cape Verde 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 Dakar on 1 August 1986, in two original copies, each in the German and Portuguese languages, both texts being equally authentic.

> For the Government of the Federal Republic of Germany: LANG

For the Government of the Republic of Cape Verde: J. D. SPENCER LIMA