

No. 25583

**DENMARK
and
MALDIVES**

Financing Agreement. Signed at Copenhagen on 25 November 1987

Authentic text: English.

Registered by Denmark on 15 January 1988.

**DANEMARK
et
MALDIVES**

Accord de financement. Signé à Copenhague le 25 novembre 1987

Texte authentique : anglais.

Enregistré par le Danemark le 15 janvier 1988.

FINANCING AGREEMENT¹ BETWEEN THE GOVERNMENT OF DENMARK AND THE GOVERNMENT OF THE REPUBLIC OF MALDIVES

The Government of Denmark and the Government of the Republic of Maldives, desiring to strengthen the traditional co-operation and cordial relations between their countries, have agreed that, as a contribution to the economic development of the Maldives, Danish financial assistance, by way of grant, shall be extended to the Government of the Republic of Maldives in accordance with the following provisions:

Article I. THE FUNDS

The Government of Denmark represented by the Danish International Development Agency (Danida) shall make available to the Government of the Republic of Maldives, by way of grant, the amount of 22 (twenty-two) million Danish Kroner for the purposes described in Article II.

Article II. USE OF THE FUNDS

1. The Funds shall be used to finance purchases in Denmark of Danish goods and services (including transport and insurance from Denmark to the project site in Maldives) for the following projects:

Desalination Plant	DKK 7.0 mio.
Pilot Road/Water Project	DKK 5.0 mio.
Consultancy Services	DKK 3.0 mio.
Staff Training Programme	DKK 5.0 mio.
Contingencies	DKK 2.0 mio.
	DKK 22.0 mio.

2. Any proposal for additional projects or for the substitution of new projects for any of the above-mentioned projects shall be subject to the approval of both Parties.

Article III. REALIZATION OF THE PROJECTS

The Projects shall be contracted for by Danida and implemented in accordance with the provisions laid down in this Agreement and with the plans, allocations and other provisions stated in the Agreed Minutes signed in Male on 25th June 1987 by representatives of both Parties. Any change shall be subject to agreement between the Parties.

Article IV. TRANSFER OF OWNERSHIP

Unless the Parties agree otherwise, the Government of the Republic of Maldives or any third Party designated by the Government of the Republic of Maldives and approved by Danida shall take over all rights and duties relating to the supplies financed by Danida after the contracts for the realization of the projects mentioned in Article II have been fulfilled.

¹ Came into force on 25 November 1987 by signature, in accordance with article XII.

Article V. SHIPMENT

All shipments of capital goods covered by this Agreement shall be in keeping with the principle of free circulation of ships in international trade in free and fair competition.

Article VI. TAXES AND OTHER PUBLIC CHARGES

1. This Agreement shall be free from any present and future taxes imposed under existing or future laws of Maldives in connection with the issue, execution, registration, entry into force of the Agreement or otherwise.

2. The Government of the Republic of Maldives shall exempt the goods or services imported under this Agreement from any import duty, tax, national or other public charge such as import surcharges, duties to compensate for domestic excise taxes, charges or deposits in connection with the issuance of payments, licences or import licences.

Article VII. COLLABORATION AND INFORMATION

1. Both Parties shall collaborate fully to ensure that the purposes of this Agreement be accomplished. To that end the Parties shall at the request of one or the other of the Parties exchange views with regard to matters relating to the projects under this Agreement and provide each other with all such information as can reasonably be requested with regard to the matters in question.

2. Each Party has the right to send his own agents or duly authorized representatives to carry out any technical or financial mission that he may consider necessary to follow the execution of the projects to be financed under this Agreement.

To facilitate the work of such missions all relevant assistance, information and documentation shall be provided by both Parties.

3. Representatives of the Auditor General of Denmark shall have the right to carry out any audit or inspection considered necessary as regards the use of the Funds made available to the Government of the Republic of Maldives under this Agreement on the basis of all relevant documentation.

4. Joint Danish-Maldivian project evaluations shall be carried out at the request of either Party.

Article VIII. SUSPENSION

1. In the event of non-fulfilment by the Government of the Republic of Maldives of any commitment or agreement between the Parties regarding this Agreement Danida may suspend, in whole or in part, further financing according to this Agreement.

2. Notwithstanding any suspension under this Article all the other provisions of the Agreement shall continue in full force and effect.

Article IX. SETTLEMENT OF DISPUTES

1. Any dispute between the Parties arising out of the interpretation or administration of the present Agreement, which has not been settled within six months through diplomatic channels, shall, at the request of either Party, be submitted to a tribunal of arbitration consisting of three members. The chairman of the tribunal shall be a citizen of a third country and shall be appointed by common consent of the Parties. Should the Parties fail to agree on the appointment of the chairman of the

tribunal within two months, either Party may request the President of the International Court of Justice to make the appointment. Each Party appoints his own arbitrator; if a Party abstains from appointing an arbitrator, the latter may be appointed by the chairman of the tribunal.

2. Each Party shall observe and carry out awards handed down by the tribunal.

Article X. MISCELLANEOUS PROVISIONS

Any notices, requests or agreements under this Agreement shall be in writing.

Article XI. SPECIFICATION OF ADDRESSES

The following addresses are specified for the purpose of this Agreement:

For the Government of the Republic of Maldives:

Ministry of Foreign Affairs
Marine Drive
Male
Maldives

Cablegrams:

Telex:

66008 MINEX MF

For the Government of Denmark:

Danish International Development Agency
Danida
Ministry of Foreign Affairs
Asiatisk Plads 2
DK-1448 Copenhagen K
Denmark

Cablegrams:

ETRANGERES COPENHAGEN

Telex:

31292 ETR DK

Article XII. ENTRY INTO FORCE OF THE AGREEMENT

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

IN WITNESS WHEREOF the Parties hereto, acting through their representatives duly authorized for this purpose, have caused this Agreement to be signed in two originals in the English language in Copenhagen on this 25th day of November 1987.

For the Government
of Denmark:

H. WOHLK

[Signed]

For the Government
of the Republic of Maldives:

M. SHAREEF

[Signed]