

FEDERAL REPUBLIC OF GERMANY
and
BRAZIL

Protocol concerning financial cooperation — *Projects on the Supply of Energy to Rural Areas of the State of Alagoas and a Feasibility Study of Agricultural Development in the Mearim River Valley.* Signed at Brasília on 9 December 1983

Authentic texts: German and Portuguese.

Registered by the Federal Republic of Germany on 8 April 1988.

RÉPUBLIQUE FÉDÉRALE D'ALLEMAGNE
et
BRÉSIL

Protocole de coopération financière — *Projets de fourniture d'électricité dans les zones rurales de l'État d'Alagoas et d'étude de faisabilité du développement agricole dans la vallée du fleuve Mearim.* Signé à Brasília le 9 décembre 1983

Textes authentiques : allemand et portugais.

Enregistré par la République fédérale d'Allemagne le 8 avril 1988.

[TRANSLATION — TRADUCTION]

PROTOCOL¹ BETWEEN THE GOVERNMENT OF THE FEDERAL REPUBLIC OF GERMANY AND THE GOVERNMENT OF THE FEDERATIVE REPUBLIC OF BRAZIL CONCERNING FINANCIAL COOPERATION

The Government of the Federal Republic of Germany and the Government of the Federative Republic of Brazil,

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

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 Protocol,

Intending to contribute to economic and social development in the Federative Republic of Brazil,

Have agreed as follows:

Article 1. (1) The Government of the Federal Republic of Germany shall enable the Government of the Federative Republic of Brazil or other borrowers, to be selected jointly by the two Governments, to obtain loans of up to a total of DM 25,000,000 (twenty-five million deutsche mark) from the Kreditanstalt für Wiederaufbau [Development Loan Corporation], Frankfurt am Main, in accordance with the provisions of paragraph 2 of this article.

(2) Out of the total loan amount of DM 25,000,000 (twenty-five million deutsche mark) referred to in the preceding paragraph:

(a) Up to DM 20,000,000 (twenty million deutsche mark) shall be allocated to the project "Alagoas Rural Power Supply"; and

(b) Up to DM 5,000,000 (five million deutsche mark) shall be allocated to the project "Feasibility Study for Agricultural Development in the Mearim Valley".

(3) This Protocol shall also apply if, at a later date, the Government of the Federal Republic of Germany enables the Government of the Federative Republic of Brazil to obtain, through the Kreditanstalt für Wiederaufbau, Frankfurt am Main, further loans for preparing the projects referred to in paragraph 2 of this article or a financial contribution for collateral measures required for implementation and maintenance of the projects specified.

Article 2. (1) The utilization of the amounts referred to in article 1, paragraphs 2 and 3, and the terms and conditions on which they are granted shall be governed by the agreements to be concluded between the borrowers and the Kreditanstalt für Wiederaufbau, Frankfurt am Main; these agreements shall be subject to the laws and regulations applicable in the Federal Republic of Germany.

¹ Came into force on 9 December 1983 by signature, in accordance with article 8.

(2) The Government of the Federative Republic of Brazil, to the extent that it is not itself a borrower, shall stand surety *vis-à-vis* the Kreditanstalt für Wiederaufbau, Frankfurt am Main, for all deutsche mark payments to be made in discharge of the borrowers' liabilities under the agreements to be concluded pursuant to paragraph 1 of this article.

Article 3. The Kreditanstalt für Wiederaufbau, Frankfurt am Main, shall be exempt from all taxes and other fiscal charges levied in the Federative Republic of Brazil in connection with the conclusion and execution of the agreements referred to in article 2.

Article 4. For the transport of passengers and, in so far as necessary and by agreement between the competent Brazilian and German authorities, of goods:

(a) In the case of transport by air, a Contracting Party shall not exclude or impede the participation on equal terms of the regular transport enterprises of the other Contracting Party and shall grant the necessary permits for such transport; and

(b) In the case of transport by sea, the provisions of the Agreement between the Federal Republic of Germany and the Federative Republic of Brazil concerning transport by sea of 4 April 1979 and the relevant Supplementary Protocol of the same date shall apply.

Article 5. (1) Supplies and services for projects financed from the loans shall, unless otherwise provided for in individual cases, be subject to international public tender.

(2) The procurement procedure to be applied for the implementation of the projects specified in article 1, paragraph 2, subparagraph *b*, shall be established in the loan agreement to be concluded between the Kreditanstalt für Wiederaufbau, Frankfurt am Main, and the borrowers.

Article 6. 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 7. With the exception of the provisions of article 4 which relate to air transport, this Protocol 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 Federative Republic of Brazil within the three months following the date of entry into force of this Protocol.

Article 8. This Protocol shall enter into force on the date of its signature.

DONE at Brasília on 9 December 1983, 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:
Dr. GÖTZ-ALEXANDER MARTIUS

For the Government of the Federative Republic of Brazil:
JOÃO CLEMENTE BAENA SOARES