

No. 26105

**FEDERAL REPUBLIC OF GERMANY
and
MOZAMBIQUE**

**Agreement concerning financial cooperation (with annex).
Signed at Maputo on 11 September 1987**

Authentic texts: German and Portuguese.

Registered by the Federal Republic of Germany on 19 July 1988.

**RÉPUBLIQUE FÉDÉRALE D'ALLEMAGNE
et
MOZAMBIQUE**

**Accord de coopération financière (avec annexe). Signé à
Maputo le 11 septembre 1987**

Textes authentiques : allemand et portugais.

Enregistré par la République fédérale d'Allemagne le 19 juillet 1988.

[TRANSLATION — TRADUCTION]

AGREEMENT¹ BETWEEN THE GOVERNMENT OF THE FEDERAL
REPUBLIC OF GERMANY AND THE GOVERNMENT OF THE
PEOPLE'S REPUBLIC OF MOZAMBIQUE CONCERNING FI-
NANCIAL COOPERATION

The Government of the Federal Republic of Germany and the Government of the People's Republic of Mozambique,

In the spirit of the friendly relations existing between the Federal Republic of Germany and the People's Republic of Mozambique,

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 People's Republic of Mozambique,

Have agreed as follows:

Article 1

(1) The Government of the Federal Republic of Germany shall enable the Government of the People's Republic of Mozambique to raise with the Kreditanstalt für Wiederaufbau (Development Loan Corporation), Frankfurt am Main, a loan of up to DM 10,000,000 (ten million deutsche mark) 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 transport, insurance and assembly costs incurred in connection with imports financed under this Agreement. Such supplies and services shall be from among those specified in the list annexed to this Agreement for which the relevant delivery contracts have been concluded after 1 May 1987.

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

Article 2

Utilization of the amount referred to in article 1, the terms and conditions on which it is granted and the procedures for inviting tenders shall be governed by the contracts to be concluded between the recipients of the loan and the Kreditanstalt für Wiederaufbau; these contracts shall be subject to the laws and regulations applicable in the Federal Republic of Germany.

¹ Came into force on 11 September 1987 by signature, in accordance with article 7.

Article 3

The Government of the People's Republic of Mozambique shall exempt the Kreditanstalt für Wiederaufbau from all taxes and other fiscal charges levied in the People's Republic of Mozambique in connection with the conclusion and execution of the contracts referred to in article 2.

Article 4

With regard to transport by sea or air resulting from this loan, the regular national carriers of the two countries shall be guaranteed equal and fair opportunities. In every case consideration shall be given to the most economical way for the People's Republic of Mozambique.

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 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 People's Republic of Mozambique within the three months following the date of the entry into force of this Agreement.

Article 7

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

DONE at Maputo on 11 September 1987, in two originals, in the German and Portuguese languages, both texts being equally authentic.

For the Government of the Federal Republic of Germany:

WILFRIED NÖLLE

For the Government of the People's Republic
of Mozambique:

JACINTO VELOSO

ANNEX TO THE AGREEMENT BETWEEN THE GOVERNMENT OF THE FEDERAL REPUBLIC OF GERMANY AND THE GOVERNMENT OF THE PEOPLE'S REPUBLIC OF MOZAMBIQUE CONCERNING FINANCIAL COOPERATION

1. List of goods and services which, under article 1 of the intergovernmental agreement of 11 September 1987, may be financed from the loan:

- Industrial raw materials and auxiliary materials and semi-finished products;
- Industrial equipment and agricultural machinery and tools;
- Spare parts and accessories of all kinds;
- Products of the chemical industry, including fertilizers, pesticides and insecticides, and pharmaceutical products;
- [— Other industrial products of importance for the development of Mozambique;]¹
- Advisory services, patents and licence fees.

2. Goods not included in this list may be financed only with the prior consent of the Government of the Federal Republic of Germany.

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

¹ The text between brackets appears in the authentic German text only.