

No. 26098

**FEDERAL REPUBLIC OF GERMANY
and
ZIMBABWE**

Agreement concerning financial cooperation — *Loan to meet foreign exchange costs* (with annex). Signed at Harare on 14 August 1987

Authentic texts: German and English.

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

**RÉPUBLIQUE FÉDÉRALE D'ALLEMAGNE
et
ZIMBABWE**

Accord de coopération financière — *Prêt pour financer le coût en devises* (avec annexe). Signé à Harare le 14 août 1987

Textes authentiques : allemand et anglais.

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

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

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

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

Desiring to strengthen and intensify those friendly relations through financial co-operation in a spirit of partnership,

Aware that the maintenance of those relations constitutes the basis of this Agreement,

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

Have agreed as follows:

Article 1

The Government of the Federal Republic of Germany shall enable the Government of the Republic of Zimbabwe to obtain from the Kreditanstalt für Wiederaufbau (Development Loan Corporation), Frankfurt/Main, a loan of up to DM 10,000,000 (ten million deutsche mark) to meet foreign exchange costs resulting from the purchase of goods and services to cover current civilian requirements, and to meet foreign exchange and local currency costs of transport, insurance and assembly arising in connection with the importation of goods financed under this Agreement.

Article 2

The utilization of the amount referred to in Article 1 of this Agreement and the terms and conditions on which it is made available, as well as the procedure for awarding contracts, shall be governed by the provisions of the agreement to be concluded between the recipient of the loan and the Kreditanstalt für Wiederaufbau, which agreement shall be subject to the laws and regulations applicable in the Federal Republic of Germany.

Article 3

The Government of the Republic of Zimbabwe shall exempt the Kreditanstalt für Wiederaufbau from all taxes and other public charges levied in the Republic of Zimbabwe in connection with the conclusion and implementation of the agreement referred to in Article 2 of the present Agreement.

Article 4

The Government of the Republic of Zimbabwe shall allow passengers and suppliers free choice of transport enterprises for such transportation by sea or air of persons and goods as results from the granting of the loan, abstain from taking any

¹ Came into force on 14 August 1987 by signature, in accordance with article 7.

measures that might exclude or impair the participation of transport enterprises having their 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 preferential use being made of 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 contrary declaration to the Government of the Republic of Zimbabwe within three months of the date of entry into force of this Agreement.

Article 7

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

DONE at Harare on 14/8/87, in duplicate in the English and German languages, both texts being equally authentic.

For the Government
of the Republic of Zimbabwe:

[Signed — Signé]¹

For the Government
of the Federal Republic
of Germany:

[Signed — Signé]²

¹ Signed by S. Mahlahla — Signé par S. Mahlahla.

² Signed by Franz Freiherr von Mentzingen — Signé par Franz Freiherr von Mentzingen.

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

1. List of goods and services eligible for financing from the loan under Article 1 of the Agreement of [14 August 1987]:

- (a) Industrial raw and auxiliary materials as well as semi-manufactures,
- (b) Industrial equipment as well as agricultural machinery and implements,
- (c) Spare parts and accessories of all kinds,
- (d) Chemical products, in particular fertilizers, plant protection agents, pesticides, medicaments,
- (e) Other industrial products of importance for the development of Zimbabwe,
- (f) Advisory services, patents and licence fees.

2. Data-processing equipment and EDP software may also be financed from the loan.

3. Imports not included in the above list may only be financed with the prior approval of the Government of the Federal Republic of Germany.

4. The importation of luxury and consumer goods for personal needs, as well as any goods and facilities serving military purposes, may not be financed from the loan.
