

No. 26091

**FEDERAL REPUBLIC OF GERMANY
and
MADAGASCAR**

**Agreement concerning financial cooperation (with annex).
Signed at Antananarivo on 26 January 1987**

Authentic texts: German and French.

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

**RÉPUBLIQUE FÉDÉRALE D'ALLEMAGNE
et
MADAGASCAR**

**Accord de coopération financière (avec annexe). Signé à
Antananarivo le 26 janvier 1987**

Textes authentiques : allemand et français.

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
DEMOCRATIC REPUBLIC OF MADAGASCAR CONCERNING
FINANCIAL COOPERATION

The Government of the Federal Republic of Germany and the Government of the Democratic Republic of Madagascar,

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

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 Democratic Republic of Madagascar,

Referring to point 3.1.5 of the minutes of the intergovernmental negotiations of 15 May 1986,

Have agreed as follows:

Article 1

(1) The Government of the Federal Republic of Germany shall enable the Government of the Democratic Republic of Madagascar to obtain from the Kreditanstalt für Wiederaufbau (Development Loan Corporation), Frankfurt am Main, a loan of up to a total of DM 3,000,000 (three million deutsche mark) for the purpose of financing the foreign-exchange costs of the goods and services purchased in the German field of application of this Agreement to cover current civil requirements and the foreign-exchange and national-currency costs of transport, insurance and assembly incurred in connection with goods imports financed under this Agreement.

(2) Such goods and services shall be from among those specified in the list annexed to this Agreement for which the supply or service contracts were concluded after the signature of the agreement to be concluded pursuant to article 2.

(3) This Agreement shall also apply if, at a later date, the Government of the Federal Republic of Germany enables the Government of the Democratic Republic of Madagascar to obtain from the Kreditanstalt für Wiederaufbau, Frankfurt am Main, further loans for the implementation and maintenance of the project "Goods Assistance VII".

Article 2

The utilization of the amount referred to in article 1, the terms and conditions on which it is granted and the procurement procedure to be applied shall be gov-

¹ Came into force on 26 January 1987 by signature, in accordance with article 7.

erned by the agreement to be concluded between the Kreditanstalt für Wiederaufbau and the recipient of the loan; the said agreement shall be subject to the laws and regulations applicable in the Federal Republic of Germany.

Article 3

The Government of the Democratic Republic of Madagascar shall exempt the Kreditanstalt für Wiederaufbau from all taxes and other fiscal charges levied in the Democratic Republic of Madagascar in connection with the conclusion and execution of the agreement referred to in article 2.

Article 4

The Government of the Democratic Republic of Madagascar 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 loan, refrain from taking any measures that might exclude or impede the participation 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 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 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 Democratic Republic of Madagascar 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 Antananarivo on 26 January 1987, in two original copies, each in the German and French languages, both texts being equally authentic.

For the Government of the Federal Republic of Germany:

ROUETTE

For the Government of the Democratic Republic of Madagascar:

J. BEMANANJARA

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

1. List of goods and services which, under article 1 of the intergovernmental agreement of 26 January 1987, may be financed from the loan:

- a) Industrial raw and auxiliary materials as well as semi-finished products;
- b) Industrial equipment, machinery and tools;
- c) Spare parts and accessories of all kinds;
- d) Products of the chemical industry, with the exception of those used for agriculture;
- e) Other industrial products of importance for the development of the Democratic Republic of Madagascar;
- f) Consulting services, patents and royalties.

The above goods are intended primarily for:

- German-Malagasy financial and technical cooperation projects, with the exception of projects in the agricultural sector;
- German-Malagasy joint ventures; and
- Enterprises and firms whose equipment and machinery originate in the Federal Republic of Germany.

The goods and services must be procured in the Federal Republic of Germany.

2. Imported 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.
