

No. 26080

FEDERAL REPUBLIC OF GERMANY
and
PHILIPPINES

Agreement concerning financial cooperation — *Loans of DM 25,000,000 for various projects.* Signed at Manila on 5 September 1986

Authentic texts: German and English.

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

RÉPUBLIQUE FÉDÉRALE D'ALLEMAGNE
et
PHILIPPINES

Accord de coopération financière — *Prêts de DM 25 000 000 pour divers projets.* Signé à Manille le 5 septembre 1986

Textes authentiques : allemand et anglais.

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

AGREEMENT¹ BETWEEN THE GOVERNMENT OF THE REPUBLIC OF THE PHILIPPINES AND THE GOVERNMENT OF THE FEDERAL REPUBLIC OF GERMANY CONCERNING FINANCIAL COOPERATION

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

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

Desiring to strengthen and intensify those friendly relations through financial cooperation 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 the Philippines,

With reference to the Final Report of 11 July 1986 on the German-Philippine talks held in Bonn and Munich on 10 and 11 July 1986,

Have agreed as follows:

Article 1

(1) The Government of the Federal Republic of Germany shall enable the Government of the Republic of the Philippines and/or other recipients to be determined jointly by the two Governments to obtain from the Kreditanstalt für Wiederaufbau (Development Loan Corporation), Frankfurt/Main, loans up to a total of DM 25,000,000 (twenty-five million deutsche mark) for the projects selected by the two Governments pursuant to item 2.2.2 of the Final Report of 11 July 1986 if, after examination, the projects have been found eligible for promotion.

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

Article 2

(1) 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 agreements to be concluded between the recipients of the loans and the Kreditanstalt für Wiederaufbau, which shall be subject to the laws and regulations applicable in the Federal Republic of Germany.

(2) The Government of the Republic of the Philippines, insofar as it is not itself the borrower, shall guarantee to the Kreditanstalt für Wiederaufbau all payments in deutsche mark to be made in fulfilment of the borrowers' liabilities under the agreements to be concluded pursuant to paragraph 1 above.

¹ Came into force on 5 September 1986 by signature, in accordance with article 7.

Article 3

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

Article 4

The Government of the Republic of the Philippines 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 loans, abstain from taking any measures that might exclude or impair the participation on equal terms 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 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 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 the Philippines 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 Manila on Friday, 5th September 1986, in duplicate in the English and German languages, both texts being equally authentic.

For the Government
of the Republic of the Philippines:

[Signed — Signé]¹

[Signed — Signé]²

For the Government
of the Federal Republic
of Germany:

[Signed — Signé]³

[Signed — Signé]⁴

¹ Signed by Salvador Laurel — Signé par Salvador Laurel.

² Signed by S. Monsod — Signé par S. Monsod.

³ Signed by Zeller — Signé par Zeller.

⁴ Signed by Jürgen Warnke — Signé par Jürgen Warnke.