

No. 26102

FEDERAL REPUBLIC OF GERMANY
and
THAILAND

**Agreement concerning financial cooperation. Signed at
Bangkok on 21 August 1987**

Authentic texts: German and English.

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

RÉPUBLIQUE FÉDÉRALE D'ALLEMAGNE
et
THAÏLANDE

**Accord de coopération financière. Signé à Bangkok le 21 août
1987**

Textes authentiques : allemand et anglais.

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

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

The Government of the Kingdom of Thailand and the Government of the Federal Republic of Germany,

In the spirit of the friendly relations existing between the Kingdom of Thailand 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 Kingdom of Thailand,

With reference to the Agreed Minutes of 9 October 1986 of the intergovernmental negotiations held in Bonn and the two pledges made on 12 and 30 December 1986,

Have agreed as follows:

Article 1

(1) The Government of the Federal Republic of Germany shall enable the Government of the Kingdom of Thailand or other recipients to be determined jointly by the two Governments to obtain from the Kreditanstalt für Wiederaufbau (Development Loan Corporation), Frankfurt/Main, loans totalling up to DM 47,000,000 (forty-seven million deutsche mark) and financial contributions up to DM 12,700,000 (twelve million seven hundred thousand deutsche mark), i.e. a total amount of up to DM 59,700,000 (fifty-nine million seven hundred thousand deutsche mark), for the projects listed below if, after examination, the projects have been found eligible for promotion:

- (a) Village Development Programme V: a financial contribution of up to DM 10,000,000 (ten million deutsche mark);
- (b) Credit Line for the Bank for Agriculture and Agricultural Co-operatives (BAAC): a loan of up to DM 10,000,000 (ten million deutsche mark);
- (c) Credit Line for the Industrial Finance Corporation of Thailand (IFCT VII): a loan of up to DM 10,000,000 (ten million deutsche mark);
- (d) Rehabilitation Programme for Rural Water Supplies (Provincial Waterworks Authority) PWA I: a loan of up to DM 7,500,000 (seven million five hundred thousand deutsche mark);
- (e) Improvement of Electricity Distribution (Tranche I) (Provincial Electricity Authority — PEA): a loan of up to DM 12,500,000 (twelve million five hundred thousand deutsche mark);

¹ Came into force on 21 August 1987 by signature, in accordance with article 7.

- (f) Supply of Ninety Cement Wagons for the State Railway of Thailand (SRT): a loan of up to DM 7,000,000 (seven million deutsche mark);
- (g) Training for Agricultural Extension Personnel as attendant measure for Phase II of Nam Pong Irrigation Project: a financial contribution of up to DM 2,700,000 (two million seven hundred thousand deutsche mark).

(2) This Agreement shall also apply if, at a later date, the Government of the Federal Republic of Germany enables the Government of the Kingdom of Thailand to obtain from the Kreditanstalt für Wiederaufbau, Frankfurt/Main, further loans or financial contributions for the preparation of the projects referred to in paragraph 1 above or for attendant measures required for their implementation and support.

(3) The projects referred to in paragraph 1 above may be replaced by other projects if the Government of the Kingdom of Thailand and the Government of the Federal Republic of Germany so agree. Financial contributions for preparatory and attendant measures pursuant to paragraph 2 above or for the project referred to in paragraph 1 (a) above shall be converted into loans in the event that they are not used for such measures.

Article 2

(1) The utilization of the amounts referred to in Article 1 of this Agreement and the terms and conditions on which they are made available, as well as the procedure for awarding contracts, shall be governed by the provisions of the agreements to be concluded between the Kreditanstalt für Wiederaufbau and the recipients of the loans and financial contributions, which agreements shall be subject to the laws and regulations applicable in the Federal Republic of Germany.

(2) The Government of the Kingdom of Thailand, in so far 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 borrower's liabilities under the agreements to be concluded pursuant to paragraph 1 above.

Article 3

The Government of the Kingdom of Thailand shall exempt the Kreditanstalt für Wiederaufbau from all taxes and other public charges levied in the Kingdom of Thailand 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 Kingdom of Thailand shall allow passengers and suppliers free choice of transport enterprises for such transportation by sea, land or air of persons and goods as results from the granting of the loans and the financial contributions, 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 and the financial contributions, 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 Kingdom of Thailand 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 Bangkok on 21 August 1987, in duplicate in the English and German languages, both texts being equally authentic.

For the Government
of the Kingdom of Thailand:

[Signed — Signé]¹

For the Government
of the Federal Republic
of Germany:

[Signed — Signé]²

¹ Signed by Dr. Singsaneh — Signé par Singsaneh.

² Signed by Helmut Rückriegel — Signé par Helmut Rückriegel.