

No. 26682

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**FEDERAL REPUBLIC OF GERMANY  
and  
HONDURAS**

**Agreement concerning financial cooperation—*Simple rural housing project II*. Signed at Tegucigalpa on 25 March 1987**

*Authentic texts: German and Spanish.*

*Registered by the Federal Republic of Germany on 16 June 1989.*

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**RÉPUBLIQUE FÉDÉRALE D'ALLEMAGNE  
et  
HONDURAS**

**Accord de coopération financière — *Deuxième phase du projet de construction de logements modestes en milieu rural*. Signé à Tegucigalpa le 25 mars 1987**

*Textes authentiques : allemand et espagnol.*

*Enregistré par la République fédérale d'Allemagne le 16 juin 1989.*

## [TRANSLATION — TRADUCTION]

AGREEMENT<sup>1</sup> BETWEEN THE GOVERNMENT OF THE FEDERAL  
REPUBLIC OF GERMANY AND THE GOVERNMENT OF THE  
REPUBLIC OF HONDURAS CONCERNING FINANCIAL COOP-  
ERATION

The Government of the Federal Republic of Germany and

The Government of the Republic of Honduras,

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

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 Republic of Honduras,

Have agreed as follows:

*Article 1*

(1) The Government of the Federal Republic of Germany shall enable the Government of the Republic of Honduras and/or another recipient to be selected jointly by both Governments to obtain from the Kreditanstalt für Wiederaufbau (Development Loan Corporation), Frankfurt am Main, for the "simple rural housing construction II" project, provided that, after examination, it qualifies for promotion, a loan of up to DM 6,000,000 (six million deutsche mark) and, for any necessary collateral measures, a financial contribution of up to DM 1,000,000 (one million deutsche mark), for a total of up to DM 7,000,000 (seven million 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 Republic of Honduras to obtain from the Kreditanstalt für Wiederaufbau, Frankfurt am Main, further loans for the project referred to in paragraph 1 or further financial contributions for collateral measures required for its implementation and maintenance.

(3) The project referred to in paragraph 1 above may be replaced by other projects if the Government of the Federal Republic of Germany and the Government of the Republic of Honduras so agree. Financial contributions not used for collateral measures in accordance with paragraphs 1 and 2 shall be converted into loans.

*Article 2*

Utilization of the amounts referred to in article 1, the terms and conditions on which they are granted and the procurement procedure to be applied shall be governed by contracts to be concluded between the Kreditanstalt für Wiederaufbau and

<sup>1</sup> Came into force on 25 March 1987 by signature, in accordance with article 7.

the recipient of the loan and financial contribution; these contracts shall be subject to the laws and regulations applicable in the Federal Republic of Germany.

#### Article 3

The Government of the Republic of Honduras shall exempt the Kreditanstalt für Wiederaufbau from all taxes and other fiscal charges levied in the Republic of Honduras in connection with the conclusion or implementation of the contracts referred to in article 2.

#### Article 4

The Government of the Republic of Honduras shall allow passengers and suppliers free choice of transport enterprises for such transport by sea and air of passengers and goods as results from granting the loan and the financial contribution, refrain from taking any measures which 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 and services resulting from granting the loan and the financial contribution, 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 apply also 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 Republic of Honduras within three months of the entry into force of this Agreement.

#### Article 7

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

DONE at Tegucigalpa, D.C., on 25 March 1987, in two originals, in the German and Spanish languages, both texts being equally authentic.

For the Government  
of the Federal Republic of Germany:

[Signed]

Dr. ECKEHARD SCHÖBER  
Ambassador of the Federal Republic of Germany

For the Government  
of the Republic of Honduras:

[Signed]

GUILLERMO CÁCERES PINEDA  
Deputy Minister for Foreign Affairs