

**No. 26790**

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**FEDERAL REPUBLIC OF GERMANY  
and  
KENYA**

**Agreement concerning financial cooperation (with annex).  
Signed at Nairobi on 8 April 1988**

*Authentic texts: German and English.*

*Registered by the Federal Republic of Germany on 5 September 1989.*

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**RÉPUBLIQUE FÉDÉRALE D'ALLEMAGNE  
et  
KENYA**

**Accord de coopération financière (avec annexe). Signé à  
Nairobi le 8 avril 1988**

*Textes authentiques : allemand et anglais.*

*Enregistré par la République fédérale d'Allemagne le 5 septembre 1989.*

## AGREEMENT<sup>1</sup> BETWEEN THE GOVERNMENT OF THE REPUBLIC OF KENYA AND THE GOVERNMENT OF THE FEDERAL REPUBLIC OF GERMANY CONCERNING FINANCIAL CO-OPERATION

The Government of the Republic of Kenya and

The Government of the Federal Republic of Germany,

In the spirit of the friendly relations existing between the Republic of Kenya 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 Kenya,

Have agreed as follows:

### *Article 1*

(1) The Government of the Federal Republic of Germany shall enable the Government of the Republic of Kenya to obtain from the Kreditanstalt für Wiederaufbau (Development Loan Corporation), Frankfurt/Main, a loan of up to DM 6,084,953.22 (six million eighty-four thousand nine hundred and fifty-three Deutsche Mark and twenty-two Pfennig) to meet foreign exchange costs resulting from the purchase of goods and services to cover current civilian requirements, and to meet local currency costs of transport, insurance and assembly arising in connection with the importation of goods financed under this Agreement (Commodity Aid XIII).

The supplies and services must be such as are covered by the list annexed to this Agreement and for which supply or service contracts have been concluded after 1 November 1987.

(2) In addition, the Government of the Federal Republic of Germany shall enable the Government of the Republic of Kenya to obtain from the Kreditanstalt für Wiederaufbau (Development Loan Corporation), Frankfurt/Main, a financial contribution of up to DM 1,000,000 (one million Deutsche Mark) as an attendant measure for the implementation and support of the project "Rehabilitation of Locomotives".

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

Financial contributions for attendant measures pursuant to paragraph 2 above shall be converted into loans in the event that they are not used for such measures.

<sup>1</sup> Came into force on 8 April 1988 by signature, in accordance with article 7.

(4) The projects referred to in paragraphs 1 and 2 above shall be financed from the loan of DM 7,084,953.22 (seven million eighty-four thousand nine hundred and fifty-three Deutsche Mark and twenty-two Pfennig) made available for the “Coastal Region Settlement Project, Phase II” (cf. Intergovernmental Agreement of 12 November 1981)<sup>1</sup> and no longer needed therefor.

#### *Article 2*

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 recipient of the loan and financial contribution and the Kreditanstalt für Wiederaufbau, which agreements shall be subject to the laws and regulations applicable in the Federal Republic of Germany.

#### *Article 3*

The Government of the Republic of Kenya shall exempt the Kreditanstalt für Wiederaufbau from all taxes and other public charges levied in the Republic of Kenya 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 Kenya 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 and the financial contribution, abstain from taking any 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 resulting from the granting of the loan and the financial contribution, 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*

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 Kenya 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.

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<sup>1</sup> United Nations, *Treaty Series*, vol. 1321, p. 69.

DONE at Nairobi on 8th April 1988, in duplicate in the English and German languages, both texts being equally authentic.

For the Government  
of the Republic of Kenya:

[*Signed — Signé*]<sup>1</sup>

For the Government  
of the Federal Republic  
of Germany:

[*Signed — Signé*]<sup>2</sup>

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<sup>1</sup> Signed by C. S. Mbindyo — Signé par C. S. Mbindyo.

<sup>2</sup> Signed by W. Glosauer — Signé par W. Glosauer.

ANNEX TO THE AGREEMENT BETWEEN THE GOVERNMENT OF THE REPUBLIC OF KENYA 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 8th April 1988:

- (a) Industrial raw and auxiliary materials as well as semi-manufactures,
- (b) Industrial equipment, machinery and implements,
- (c) Spare parts and accessories of all kinds,
- (d) Chemical products, medicaments,
- (e) Other industrial products of importance for the development of the Republic of Kenya,
- (f) Advisory services, patents and licence fees.

The goods and services referred to in sub-paragraphs (a) to (f) above shall be procured in the Federal Republic of Germany.

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

3. 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.

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