

**No. 26783**

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**FEDERAL REPUBLIC OF GERMANY  
and  
BOLIVIA**

**Agreement concerning financial cooperation. Signed at  
La Paz on 16 May 1988**

*Authentic texts: German and Spanish.*

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

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**RÉPUBLIQUE FÉDÉRALE D'ALLEMAGNE  
et  
BOLIVIE**

**Accord de coopération financière. Signé à La Paz le 16 mai  
1988**

*Textes authentiques : allemand et espagnol.*

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

## [TRANSLATION — TRADUCTION]

AGREEMENT<sup>1</sup> BETWEEN THE GOVERNMENT OF THE FEDERAL  
REPUBLIC OF GERMANY AND THE GOVERNMENT OF THE  
REPUBLIC OF BOLIVIA CONCERNING FINANCIAL COOPER-  
ATION

The Government of the Federal Republic of Germany and

The Government of the Republic of Bolivia,

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

Having regard to the governmental negotiations on financial and technical cooperation held from 3 to 8 July 1986 in La Paz,

Have agreed as follows:

*Article 1*

(1) The Government of the Federal Republic of Germany shall enable the Government of the Republic of Bolivia to raise from the Kreditanstalt für Wiederaufbau (Development Loan Corporation), Frankfurt am Main, a loan of up to DM 6,500,000 (six million five hundred thousand Deutsche Mark) for the “Villamontes-Yacuiba Electrification” project provided that, after examination, the project qualifies for promotion.

(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 Bolivia to obtain from the Kreditanstalt für Wiederaufbau, Frankfurt am Main, further loans for the “Villamontes-Yacuiba Electrification” project or further financial contributions for any 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 Bolivia so agree.

*Article 2*

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 governed by contracts to be concluded between the Kreditanstalt für Wiederaufbau and the

<sup>1</sup> Came into force on 16 May 1988 by signature, in accordance with article 7.

recipient of the loan and the 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 Bolivia shall exempt the Kreditanstalt für Wiederaufbau from all taxes and other fiscal charges levied in the Republic of Bolivia in connection with the conclusion or execution of the contracts referred to in article 2. Payment of the taxes and fiscal charges shall be taken over by the Bolivian national authorities and institutions beneficiaries of the loan.

#### Article 4

The Government of the Republic of Bolivia shall allow passengers and suppliers free choice of transport enterprises for such transport by sea and air of passengers and goods as results from the granting of the loan and the financial contribution, refrain from taking any measures that might exclude or impede the participation, on an equal footing, 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 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 Republic of Bolivia 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 La Paz on 16 May 1988, in two originals, in the German and Spanish languages, both texts being equally authentic.

For the Government of the Federal Republic  
of Germany:

DR. H. SAUMWEBER

For the Government of the Republic of Bolivia:

DR. G. BEDREGAL